

1 AMENDMENT TO HOUSE BILL 2099

2 AMENDMENT NO. _____. Amend House Bill 2099, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Pension Code is amended by
6 changing Sections 1-106, 2-108, 2-108.1, 2-110, 2-117,
7 2-119.1, 2-121, 3-110, 3-110.6, 5-236, 7-139.7, 7-139.8,
8 8-110, 8-113, 8-120, 8-137, 8-138, 8-150.1, 8-158, 8-161,
9 8-167, 8-168, 8-171, 8-227, 8-230.1, 8-230.7, 8-243.2,
10 9-121.6, 9-121.10, 9-121.15, 9-134, 9-134.3, 9-146.1, 9-163,
11 9-179.3, 9-185, 9-186, 9-187, 9-219, 11-125.8, 11-134,
12 11-134.1, 11-145.1, 11-153, 11-156, 11-164, 11-167, 13-314,
13 14-103.12, 14-104, 14-105.1, 14-105.7, 14-108, 14-110,
14 14-111, 14-114, 14-120, 14-123.1, 14-125, 14-128, 14-133,
15 15-112, 15-135.1, 15-145, 16-127, 16-128, 16-143, 18-112,
16 18-128, and 18-133 and adding Sections 5-214.2, 5-233.1,
17 8-226.7, 8-230.9, 8-230.10, 9-121.14, 9-121.16, 9-121.17,
18 9-134.4, 12-127.7, 14-103.05a, 14-104.12, 14-105.8, 14-110.1,
19 15-134.6, and 17-114.4 as follows:

20 (40 ILCS 5/1-106) (from Ch. 108 1/2, par. 1-106)
21 Sec. 1-106. Payment of distribution other than direct.
22 (a) The board of trustees of any retirement fund or

1 system operating under this Code may, at the written
 2 direction and request of any annuitant, solely as an
 3 accommodation to the annuitant, pay the annuity due the
 4 annuitant to a bank, savings and loan association, or any
 5 other financial institution insured by an agency of the
 6 federal government, for deposit to the account of the
 7 annuitant, or to a bank, savings and loan association, or
 8 trust company, or any person designated as trustee by the
 9 annuitant, for deposit in a trust established by the
 10 annuitant for his or her benefit ~~with that bank, savings and~~
 11 ~~loan association, or trust company.~~ The annuitant may
 12 withdraw the direction at any time.

13 (b) Beginning January 1, 1993, each pension fund or
 14 retirement system operating under this Code may, and to the
 15 extent required by federal law shall, at the request of any
 16 person entitled to receive a refund, lump-sum benefit, or
 17 other nonperiodic distribution from the pension fund or
 18 retirement system, pay the taxable portion of that
 19 distribution directly to any entity that (1) is designated in
 20 writing by the person, (2) is qualified under federal law to
 21 accept an eligible rollover distribution from a qualified
 22 plan, and (3) has agreed to accept the distribution.

23 (Source: P.A. 87-1265.)

24 (40 ILCS 5/2-108) (from Ch. 108 1/2, par. 2-108)

25 Sec. 2-108. Salary. "Salary":

26 (1) For members of the General Assembly, the total
 27 compensation paid to the member by the State for one year
 28 of service, including the additional amounts, if any,
 29 paid to the member as an officer pursuant to Section 1 of
 30 "An Act in relation to the compensation and emoluments of
 31 the members of the General Assembly", approved December
 32 6, 1907, as now or hereafter amended.

33 (2) For the State executive officers specified in

1 Section 2-105, the total compensation paid to the member
2 for one year of service.

3 (3) For members of the System who are participants
4 under Section 2-117.1, ~~or--who-are-serving-as-Clerk-or~~
5 ~~Assistant--Clerk--of--the--House--of--Representatives--or~~
6 ~~Secretary-or-Assistant-Secretary-of-the-Senate,~~ the total
7 compensation paid to the member for one year of service,
8 but not to exceed the salary of the highest salaried
9 officer of the General Assembly.

10 (4) For members of the System who are serving as
11 Clerk or Assistant Clerk of the House of Representatives
12 or Secretary or Assistant Secretary of the Senate, the
13 total compensation paid to the member for one year of
14 service.

15 However, in the event that federal law results in any
16 participant receiving imputed income based on the value of
17 group term life insurance provided by the State, such imputed
18 income shall not be included in salary for the purposes of
19 this Article.

20 (Source: P.A. 86-27; 86-273; 86-1028; 86-1488.)

21 (40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)
22 Sec. 2-108.1. Highest salary for annuity purposes.

23 (a) "Highest salary for annuity purposes" means
24 whichever of the following is applicable to the participant:

25 (1) For a participant who is a member of the
26 General Assembly on his or her last day of service: the
27 highest salary that is prescribed by law, on the
28 participant's last day of service, for a member of the
29 General Assembly who is not an officer; plus, if the
30 participant was elected or appointed to serve as an
31 officer of the General Assembly for 2 or more years and
32 has made contributions as required under subsection (d)
33 of Section 2-126, the highest additional amount of

1 compensation prescribed by law, at the time of the
2 participant's service as an officer, for members of the
3 General Assembly who serve in that office.

4 (2) For a participant who holds one of the State
5 executive offices specified in Section 2-105 on his or
6 her last day of service: the highest salary prescribed by
7 law for service in that office on the participant's last
8 day of service.

9 (3) For a participant who is Clerk or Assistant
10 Clerk of the House of Representatives or Secretary or
11 Assistant Secretary of the Senate on his or her last day
12 of service: the salary received for service in that
13 capacity on the last day of service, ~~but not to exceed~~
14 ~~the highest salary (including additional compensation for~~
15 ~~service as an officer) that is prescribed by law on the~~
16 ~~participant's last day of service for the highest paid~~
17 ~~officer of the General Assembly.~~

18 (4) For a participant who is a continuing
19 participant under Section 2-117.1 on his or her last day
20 of service: the salary received for service in that
21 capacity on the last day of service, but not to exceed
22 the highest salary (including additional compensation for
23 service as an officer) that is prescribed by law on the
24 participant's last day of service for the highest paid
25 officer of the General Assembly.

26 (b) The earnings limitations of subsection (a) apply to
27 earnings under any other participating system under the
28 Retirement Systems Reciprocal Act that are considered in
29 calculating a proportional annuity under this Article, except
30 in the case of a person who first became a member of this
31 System before August 22, 1994.

32 (c) In calculating the subsection (a) earnings
33 limitation to be applied to earnings under any other
34 participating system under the Retirement Systems Reciprocal

1 Act for the purpose of calculating a proportional annuity
2 under this Article, the participant's last day of service
3 shall be deemed to mean the last day of service in any
4 participating system from which the person has applied for a
5 proportional annuity under the Retirement Systems Reciprocal
6 Act.

7 (Source: P.A. 90-655, eff. 7-30-98.)

8 (40 ILCS 5/2-110) (from Ch. 108 1/2, par. 2-110)
9 Sec. 2-110. Service.

10 (A) "Service" means the period beginning on the day when
11 a person first became a member, and ending on the date under
12 consideration, excluding all intervening periods of
13 nonmembership following resignation or expiration of any term
14 of office.

15 (B) "Service" includes:

16 (a) Military service during war by a person who
17 entered such service while a member, whether rendered
18 before or after the expiration of any term of office;
19 plus up to 2 years of military service that need not have
20 immediately followed service as a member, and need not
21 have been served during wartime, provided that the member
22 makes contributions to the System for such service (1) at
23 the rates provided in Section 2-126 based upon the
24 member's rate of compensation on the last date as a
25 participant prior to such military service, or on the
26 first date as a participant after such military service,
27 whichever is greater, plus (2) if payment is made on or
28 after May 1, 1993, an amount determined by the Board to
29 be equal to the employer's normal cost of the benefits
30 accrued for such military service, plus (3) interest at
31 the effective rate from the date of first membership in
32 the System to the date of payment.

33 The amendment to this subdivision (B)(a) made by

1 this amendatory Act of 1993 shall apply to persons who
2 are active contributors to the System on or after
3 November 30, 1992. A person who was an active
4 contributor to the System on November 30, 1992 but is no
5 longer an active contributor may apply to purchase
6 military credit under this subdivision (B)(a) within 60
7 days after the effective date of this amendatory Act of
8 1993; if the person is an annuitant, the resulting
9 increase in annuity shall begin to accrue on the first
10 day of the month following the month in which the
11 required payment is received by the System. The change
12 in the required contribution for purchased military
13 credit made by this amendatory Act of 1993 shall not
14 entitle any person to a refund of contributions already
15 paid.

16 (b) Service as a judge of a court of this State,
17 but credit for such service is subject to the following
18 conditions: (1) such person shall have been a member for
19 at least 4 years and contributed to the System for
20 service as a judge subsequent to July 8, 1947, at the
21 rates herein provided, including interest at 2% per annum
22 to the date of payment based on the salary in effect
23 during such service; (2) the member was not an eligible
24 member of nor entitled to credit for such service in any
25 other retirement system in the State maintained in whole
26 or in part by public contributions; and (3) the last 4
27 years of service prior to retirement on annuity was
28 rendered while a member.

29 (c) Service as a participating employee under
30 Articles 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,
31 17 or 18 of the Illinois Pension Code. Credit for such
32 service may be established by a member and, if permitted
33 by the credit transfer Section of the appropriate
34 Article, by a former member who is not yet an annuitant,

1 and is subject to the following conditions: (1) that the
 2 credits accrued under the above mentioned Articles have
 3 been transferred to this System; and (2) that the member
 4 has contributed to this System an amount equal to (A) the
 5 amount by which the credits transferred to this System
 6 under item (1) are less than the sum of (i) the
 7 contribution rate in effect for participants at the date
 8 of membership in this System multiplied by the salary
 9 then in effect for members of the General Assembly for
 10 each year of service for which credit is being
 11 transferred, plus (ii) the State's share of the normal
 12 cost of benefits under this System expressed as a percent
 13 of payroll, as determined by the System's actuary as of
 14 the date of the participant's membership in this System,
 15 multiplied by the salary then in effect for members of
 16 the General Assembly, for each year of service for which
 17 credit is being transferred, plus (B) ~~(iii)~~ interest on
 18 the amount determined under item (A) ~~items-(i)--and--(ii)~~
 19 above at the rate of 6% per annum, compounded annually,
 20 from the date of membership to the date of payment by the
 21 participant, ~~less-(iv)-the--amount--transferred--to--this~~
 22 ~~System-on-behalf-of-the-participant-on-account-of-service~~
 23 ~~rendered--while--a--participant-under-the-above-mentioned~~
 24 ~~Articles.~~

25 (d) Service, before October 1, 1975, as an officer
 26 elected by the people of Illinois, for which creditable
 27 service is required to be transferred from the State
 28 Employees' Retirement System to this System by this
 29 amendatory Act of 1975.

30 (e) Service rendered prior to January 1, 1964, as a
 31 justice of the peace or police magistrate or as a civil
 32 referee in the Municipal Court of Chicago, but credit for
 33 such service may not be granted until the member has paid
 34 to the System an amount equal to (1) the contribution

1 rate for participants at the date of membership in this
2 System multiplied by the salary then in effect for
3 members of the General Assembly for each year of service
4 for which credit is being transferred, plus (2) the
5 State's share of the normal cost of benefits under this
6 System expressed as a percent of payroll, as determined
7 by the System's actuary as of the date of the
8 participant's membership in this System, multiplied by
9 the salary then in effect for members of the General
10 Assembly, for each year of service for which credit is
11 allowed, plus, (3) interest on (1) and (2) above at 6%
12 per annum compounded annually from the date of membership
13 to the date of payment by the member. However, a
14 participant may not receive more than 6 years of credit
15 for such service nor may any member receive credit under
16 this paragraph for service for which credit has been
17 granted in any other public pension fund or retirement
18 system in the State.

19 (f) Service before January 16, 1981, as an officer
20 elected by the people of Illinois, for which creditable
21 service is transferred from the State Employees'
22 Retirement System to this System.

23 (C) Service during any fraction of a month shall be
24 considered as a month of service.

25 Service includes the total period of time for which a
26 participant is elected as a member or officer, even though he
27 or she does not complete the term because of death,
28 resignation, judicial decision, or operation of law, provided
29 that the contributions required under this Article for such
30 entire period of office have been made by or on behalf of the
31 participant. In the case of a participant appointed or
32 elected to fill a vacancy, service includes the total period
33 from January 1 of the year in which his or her service
34 commences to the end of the term in which the vacancy occurs,

1 provided the participant contributes in the year of
2 appointment an amount equal to the contributions that would
3 have been required had the participant received salary for
4 the entire year. The foregoing provisions relating to a
5 participant appointed or elected to fill a vacancy shall not
6 apply if the participant was a member of the other
7 legislative chamber at the time of appointment or election.

8 (D) Notwithstanding the other provisions of this
9 Section, if application to transfer or establish service
10 credit under paragraph (c) or (e) of subsection (B) of this
11 Section is made between January 1, 1992 and February 1, 1993,
12 the contribution required for such credit shall be an amount
13 equal to (1) the contribution rate in effect for participants
14 at the date of membership in this System multiplied by the
15 salary then in effect for members of the General Assembly for
16 each year of service for which credit is being granted, plus
17 (2) interest thereon at 6% per annum compounded annually,
18 from the date of membership to the date of payment by the
19 member, less (3) any amount transferred to this System on
20 behalf of the member on account of such service credit.

21 (Source: P.A. 86-27; 86-1028; 87-794; 87-1265.)

22 (40 ILCS 5/2-117) (from Ch. 108 1/2, par. 2-117)

23 Sec. 2-117. Participants - Election not to participate.

24 (a) Every person who was a member on November 1, 1947,
25 or in military service on such date, is subject to the
26 provisions of this system beginning upon such date, unless
27 prior to such date he or she filed with the board a written
28 notice of election not to participate.

29 Every person who becomes a member after November 1, 1947,
30 and who is then not a participant becomes a participant
31 beginning upon the date of becoming a member unless, within
32 24 months from that date, he or she has filed with the board
33 a written notice of election not to participate.

1 (b) A member who has filed notice of an election not to
 2 participate (and a former member who has not yet begun to
 3 receive a retirement annuity under this Article) may become a
 4 participant with respect to the period for which the member
 5 elected not to participate upon filing with the board, before
 6 July 1, 2002 ~~April--17--1993~~, a written rescission of the
 7 election not to participate. Upon contributing an amount
 8 equal to the contributions he or she would have made as a
 9 participant from November 1, 1947, or the date of becoming a
 10 member, whichever is later, to the date of becoming a
 11 participant, with interest at the rate of 4% per annum until
 12 the contributions are paid, the participant shall receive
 13 credit for service as a member prior to the date of the
 14 rescission, both before and after November 1, 1947. The
 15 required contributions shall be made before commencement of
 16 the retirement annuity; otherwise no credit for service prior
 17 to the date of participation shall be granted.

18 (Source: P.A. 86-273; 87-1265.)

19 (40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

20 Sec. 2-119.1. Automatic increase in retirement annuity.

21 (a) A participant who retires after June 30, 1967, and
 22 who has not received an initial increase under this Section
 23 before the effective date of this amendatory Act of 1991,
 24 shall, in January or July next following the first
 25 anniversary of retirement, whichever occurs first, and in the
 26 same month of each year thereafter, but in no event prior to
 27 age 60, have the amount of the originally granted retirement
 28 annuity increased as follows: for each year through 1971, 1
 29 1/2%; for each year from 1972 through 1979, 2%; and for 1980
 30 and each year thereafter, 3%. Annuitants who have received
 31 an initial increase under this subsection prior to the
 32 effective date of this amendatory Act of 1991 shall continue
 33 to receive their annual increases in the same month as the

1 initial increase.

2 (b) This subsection (b) does not apply to persons who
3 qualify for and elect to receive the increase provided in
4 subsection (b-1).

5 Beginning January 1, 1990, for participants who remain in
6 service after attaining 20 years of creditable service, the
7 3% increases provided under subsection (a) shall begin to
8 accrue on the January 1 next following the date upon which
9 the participant (1) attains age 55, or (2) attains 20 years
10 of creditable service, whichever occurs later, and shall
11 continue to accrue while the participant remains in service;
12 such increases shall become payable on January 1 or July 1,
13 whichever occurs first, next following the first anniversary
14 of retirement. For any person who has service credit in the
15 System for the entire period from January 15, 1969 through
16 December 31, 1992, regardless of the date of termination of
17 service, the reference to age 55 in clause (1) of this
18 subsection (b) shall be deemed to mean age 50. For persons
19 who begin receiving a retirement annuity under this Article
20 on or after January 1, 2000, any increases provided under
21 this subsection (b) for years during which the participant
22 remains in active service shall accrue at the rate of 5%
23 rather than 3%.

24 (b-1) A person who is an active participant in the
25 System on or after January 1, 2001 may elect to receive a
26 one-time increase in retirement annuity, equal to 5% of the
27 originally granted retirement annuity for each full year of
28 the annuitant's service credit in excess of 20 years. This
29 increase is payable at the same time as the annuitant's
30 initial increase under subsection (a) of this Section and is
31 in addition to that increase.

32 (c) The foregoing provisions relating to automatic
33 increases are not applicable to a participant who retires
34 before having made contributions (at the rate prescribed in

1 Section 2-126) for automatic increases for less than the
2 equivalent of one full year. However, in order to be
3 eligible for the automatic increases, such a participant may
4 make arrangements to pay to the System the amount required to
5 bring the total contributions for the automatic increase to
6 the equivalent of one year's contributions based upon his or
7 her last salary.

8 (d) A participant who terminated service prior to July
9 1, 1967, with at least 14 years of service is entitled to an
10 increase in retirement annuity beginning January, 1976, and
11 to additional increases in January of each year thereafter.

12 The initial increase shall be 1 1/2% of the originally
13 granted retirement annuity multiplied by the number of full
14 years that the annuitant was in receipt of such annuity
15 prior to January 1, 1972, plus 2% of the originally granted
16 retirement annuity for each year after that date. The
17 subsequent annual increases shall be at the rate of 2% of the
18 originally granted retirement annuity for each year through
19 1979 and at the rate of 3% for 1980 and thereafter.

20 (e) Beginning January 1, 1990, all automatic annual
21 increases payable under this Section shall be calculated as a
22 percentage of the total annuity payable at the time of the
23 increase, including previous increases granted under this
24 Article.

25 (Source: P.A. 86-273; 87-794; 87-1265.)

26 (40 ILCS 5/2-121) (from Ch. 108 1/2, par. 2-121)
27 Sec. 2-121. Survivor's annuity - conditions for payment.

28 (a) A survivor's annuity shall be payable to a surviving
29 spouse or eligible child (1) upon the death in service of a
30 participant with at least 2 years of service credit, or (2)
31 upon the death of an annuitant in receipt of a retirement
32 annuity, or (3) upon the death of a participant who
33 terminated service with at least 4 years of service credit.

1 The change in this subsection (a) made by this amendatory
2 Act of 1995 applies to survivors of participants who die on
3 or after December 1, 1994, without regard to whether or not
4 the participant was in service on or after the effective date
5 of this amendatory Act of 1995.

6 (b) To be eligible for the survivor's annuity, the
7 spouse and the participant or annuitant must have been
8 married for a continuous period of at least one year
9 immediately preceding the date of death, but need not have
10 been married on the day of the participant's last termination
11 of service, regardless of whether such termination occurred
12 prior to the effective date of this amendatory Act of 1985.

13 (c) The annuity shall be payable beginning on the date
14 of a participant's death, or the first of the month following
15 an annuitant's death, if the spouse is then age 50 or over,
16 or beginning at age 50 if the spouse is then under age 50.
17 If an eligible child or children of the participant or
18 annuitant (or a child or children of the eligible spouse
19 meeting the criteria of item (1), (2), or (3) of subsection
20 (d) of this Section) also survive, and the child or children
21 are under the care of the eligible spouse, the annuity shall
22 begin as of the date of a participant's death, or the first
23 of the month following an annuitant's death, without regard
24 to the spouse's age.

25 The change to this subsection made by this amendatory Act
26 of 1998 (relating to children of an eligible spouse) applies
27 to the eligible spouse of a participant or annuitant who dies
28 on or after the effective date of this amendatory Act,
29 without regard to whether the participant or annuitant is in
30 service on or after that effective date.

31 (d) For the purposes of this Section and Section
32 2-121.1, "eligible child" means a child of the deceased
33 participant or annuitant who is at least one of the
34 following:

- 1 (1) unmarried and under the age of 18;
- 2 (2) unmarried, a full-time student, and under the
- 3 age of 22;
- 4 (3) dependent by reason of physical or mental
- 5 disability.

6 The inclusion of unmarried students under age 22 in the
7 calculation of survivor's annuities by this amendatory Act of
8 1991 shall apply to all eligible students beginning January
9 1, 1992, without regard to whether the deceased participant
10 or annuitant was in service on or after the effective date of
11 this amendatory Act of 1991.

12 Adopted children shall have the same status as children
13 of the participant or annuitant, but only if the proceedings
14 for adoption are commenced at least one year prior to the
15 date of the participant's or annuitant's death.

16 (e) Remarriage of a surviving spouse prior to attainment
17 of age 55 shall disqualify the surviving spouse from the
18 receipt of a survivor's annuity until July 6, 2000, ~~if the~~
19 ~~remarriage occurs before the effective date of this~~
20 ~~amendatory Act of the 91st General Assembly.~~ A surviving
21 spouse whose survivor's annuity has been terminated due to
22 remarriage may apply for reinstatement of that annuity. The
23 reinstated annuity shall begin to accrue on July 6, 2000,
24 except that if, on July 6, 2000, the annuity is payable to an
25 eligible surviving child, payment of the annuity to the
26 surviving spouse shall not be reinstated until the annuity is
27 no longer payable to any eligible surviving child. The
28 reinstated annuity shall include any one-time or annual
29 increases received prior to the date of termination, as well
30 as any increases that would otherwise have accrued from the
31 date of termination to the date of reinstatement. An
32 eligible surviving spouse whose expectation of receiving a
33 survivor's annuity was lost due to remarriage before
34 attainment of age 50 shall also be entitled to reinstatement

1 under this subsection, but the resulting survivor's annuity
2 shall not begin to accrue sooner than upon the surviving
3 spouse's attainment of age 50.

4 The changes made to this subsection by Public Act 91-887
5 and this amendatory Act of the 92nd ~~91st~~ General Assembly
6 (pertaining to remarriage ~~prier--to--age--55~~) apply without
7 regard to whether the deceased participant or annuitant was
8 in service on or after the effective date of either this
9 amendatory Act.

10 (Source: P.A. 90-766, eff. 8-14-98; 91-887, eff. 7-6-00.)

11 (40 ILCS 5/3-110) (from Ch. 108 1/2, par. 3-110)

12 Sec. 3-110. Creditable service.

13 (a) "Creditable service" is the time served by a police
14 officer as a member of a regularly constituted police force
15 of a municipality. In computing creditable service furloughs
16 without pay exceeding 30 days shall not be counted, but all
17 leaves of absence for illness or accident, regardless of
18 length, and all periods of disability retirement for which a
19 police officer has received no disability pension payments
20 under this Article shall be counted.

21 (a-5) Up to 3 years of time during which the police
22 officer receives a disability pension under Section 3-114.1,
23 3-114.2, 3-114.3, or 3-114.6 shall be counted as creditable
24 service, provided that (i) the police officer returns to
25 active service after the disability for a period at least
26 equal to the period for which credit is to be established and
27 (ii) the police officer makes contributions to the fund based
28 on the rates specified in Section 3-125.1 and the salary upon
29 which the disability pension is based. These contributions
30 may be paid at any time prior to the commencement of a
31 retirement pension. The police officer may, but need not,
32 elect to have the contributions deducted from the disability
33 pension or to pay them in installments on a schedule approved

1 by the board. If not deducted from the disability pension,
2 the contributions shall include interest at the rate of 6%
3 per year, compounded annually, from the date for which
4 service credit is being established to the date of payment.
5 If contributions are paid under this subsection (a-5) in
6 excess of those needed to establish the credit, the excess
7 shall be refunded. This subsection (a-5) applies to persons
8 receiving a disability pension under Section 3-114.1,
9 3-114.2, 3-114.3, or 3-114.6 on the effective date of this
10 amendatory Act of the 91st General Assembly, as well as
11 persons who begin to receive such a disability pension after
12 that date.

13 (b) Creditable service includes all periods of service
14 in the military, naval or air forces of the United States
15 entered upon while an active police officer of a
16 municipality, provided that upon applying for a permanent
17 pension, and in accordance with the rules of the board, the
18 police officer pays into the fund the amount the officer
19 would have contributed if he or she had been a regular
20 contributor during such period, to the extent that the
21 municipality which the police officer served has not made
22 such contributions in the officer's behalf. The total amount
23 of such creditable service shall not exceed 5 years, except
24 that any police officer who on July 1, 1973 had more than 5
25 years of such creditable service shall receive the total
26 amount thereof.

27 (b-1) In addition to any creditable service established
28 under subsection (b), creditable service may be granted for
29 up to 24 months of service in the armed forces of the United
30 States that was not immediately preceded by employment as a
31 police officer, but only if the governing authority of the
32 municipality has adopted a resolution or ordinance approving
33 the establishment of creditable service under this subsection
34 (b-1) by police officers of the municipality.

1 In order to receive creditable service for military
2 service under this subsection (b-1), a police officer must
3 (1) apply to the Fund in writing and provide evidence of the
4 military service that is satisfactory to the Board and (2)
5 pay to the Fund an amount determined by the Fund to be equal
6 to 100% of the estimated actuarial liability to be incurred
7 by the Fund for the benefits arising out of the creditable
8 service to be established.

9 (c) Creditable service also includes service rendered by
10 a police officer while on leave of absence from a police
11 department to serve as an executive of an organization whose
12 membership consists of members of a police department,
13 subject to the following conditions: (i) the police officer
14 is a participant of a fund established under this Article
15 with at least 10 years of service as a police officer; (ii)
16 the police officer received no credit for such service under
17 any other retirement system, pension fund, or annuity and
18 benefit fund included in this Code; (iii) pursuant to the
19 rules of the board the police officer pays to the fund the
20 amount he or she would have contributed had the officer been
21 an active member of the police department; and (iv) the
22 organization pays a contribution equal to the municipality's
23 normal cost for that period of service.

24 (d)(1) Creditable service also includes periods of
25 service originally established in another police pension
26 fund under this Article or in the Fund established under
27 Article 7 of this Code for which (i) the contributions
28 have been transferred under Section 3-110.7 or Section
29 7-139.9 and (ii) any additional contribution required
30 under paragraph (2) of this subsection has been paid in
31 full in accordance with the requirements of this
32 subsection (d).

33 (2) If the board of the pension fund to which
34 creditable service and related contributions are

1 transferred under Section 3-110.7 or 7-139.9 determines
2 that the amount transferred is less than the true cost to
3 the pension fund of allowing that creditable service to
4 be established, then in order to establish that
5 creditable service the police officer must pay to the
6 pension fund, within the payment period specified in
7 paragraph (3) of this subsection, an additional
8 contribution equal to the difference, as determined by
9 the board in accordance with the rules and procedures
10 adopted under paragraph (6) of this subsection.

11 (3) Except as provided in paragraph (4), the
12 additional contribution must be paid to the board (i)
13 within 5 years from the date of the transfer of
14 contributions under Section 3-110.7 or 7-139.9 and (ii)
15 before the police officer terminates service with the
16 fund. The additional contribution may be paid in a lump
17 sum or in accordance with a schedule of installment
18 payments authorized by the board.

19 (4) If the police officer dies in service before
20 payment in full has been made and before the expiration
21 of the 5-year payment period, the surviving spouse of the
22 officer may elect to pay the unpaid amount on the
23 officer's behalf within 6 months after the date of death,
24 in which case the creditable service shall be granted as
25 though the deceased police officer had paid the remaining
26 balance on the day before the date of death.

27 (5) If the additional contribution is not paid in
28 full within the required time, the creditable service
29 shall not be granted and the police officer (or the
30 officer's surviving spouse or estate) shall be entitled
31 to receive a refund of (i) any partial payment of the
32 additional contribution that has been made by the police
33 officer and (ii) those portions of the amounts
34 transferred under subdivision (a)(1) of Section 3-110.7

1 or subdivisions (a)(1) and (a)(3) of Section 7-139.9 that
2 represent employee contributions paid by the police
3 officer (but not the accumulated interest on those
4 contributions) and interest paid by the police officer to
5 the prior pension fund in order to reinstate service
6 terminated by acceptance of a refund.

7 At the time of paying a refund under this item (5),
8 the pension fund shall also repay to the pension fund
9 from which the contributions were transferred under
10 Section 3-110.7 or 7-139.9 the amount originally
11 transferred under subdivision (a)(2) of that Section,
12 plus interest at the rate of 6% per year, compounded
13 annually, from the date of the original transfer to the
14 date of repayment. Amounts repaid to the Article 7 fund
15 under this provision shall be credited to the appropriate
16 municipality.

17 Transferred credit that is not granted due to
18 failure to pay the additional contribution within the
19 required time is lost; it may not be transferred to
20 another pension fund and may not be reinstated in the
21 pension fund from which it was transferred.

22 (6) The Public Employee Pension Fund Division of
23 the Department of Insurance shall establish by rule the
24 manner of making the calculation required under paragraph
25 (2) of this subsection, taking into account the
26 appropriate actuarial assumptions; the police officer's
27 service, age, and salary history; the level of funding of
28 the pension fund to which the credits are being
29 transferred; and any other factors that the Division
30 determines to be relevant. The rules may require that
31 all calculations made under paragraph (2) be reported to
32 the Division by the board performing the calculation,
33 together with documentation of the creditable service to
34 be transferred, the amounts of contributions and interest

1 to be transferred, the manner in which the calculation
2 was performed, the numbers relied upon in making the
3 calculation, the results of the calculation, and any
4 other information the Division may deem useful.

5 (Source: P.A. 90-460, eff. 8-17-97; 91-887, eff. 7-6-00;
6 91-939, eff. 2-1-01.)

7 (40 ILCS 5/3-110.6) (from Ch. 108 1/2, par. 3-110.6)
8 Sec. 3-110.6. Transfer to Article 14 System.

9 (a) Any active member of the State Employees' Retirement
10 System who is employed in a position for which he or she
11 earns eligible creditable service as defined in Section
12 14-110 of this Code ~~an investigator for the office of the~~
13 ~~State's Attorneys Appellate Prosecutor or a controlled~~
14 ~~substance inspector~~ may apply for transfer of all or a
15 portion of his or her creditable service accumulated in any
16 police pension fund under this Article to the State
17 Employees' Retirement System in accordance with Section
18 14-110. The creditable service shall be transferred only
19 upon payment by the police pension fund to the State
20 Employees' Retirement System of an amount equal to:

21 (1) the amounts accumulated to the credit of the
22 applicant on the books of the fund for the service to be
23 transferred on the date of transfer; and

24 (2) employer contributions in an amount equal to
25 the amount determined under item subparagraph (1); and

26 (3) any interest paid by the applicant in order to
27 reinstate that service.

28 Participation in the police pension fund with respect to the
29 service transferred shall terminate on the date of transfer.

30 (b) Any person transferring service under subsection (a)
31 ~~such investigator or inspector~~ may reinstate service which
32 was terminated by receipt of a refund, by paying to the
33 police pension fund the amount of the refund with interest

1 thereon at the rate of 6% per year, compounded annually, from
2 the date of refund to the date of payment.

3 (Source: P.A. 90-32, eff. 6-27-97.)

4 (40 ILCS 5/5-214.2 new)

5 Sec. 5-214.2. Credit for certain corrections service. A
6 participant in this Fund who has rendered service as a member
7 of the police department of the city for a period of 15 years
8 or more may establish credit, for the various purposes of
9 this Article, for a period of up to 7 years prior to becoming
10 a member, during which the applicant performed corrections
11 work for the county in which the city is principally located,
12 for the State of Illinois, or for the federal government.
13 However, no credit shall be granted under this Section for
14 any corrections service for which the applicant retains
15 credit in any other public employee pension fund or
16 retirement system.

17 To establish this credit, the applicant must apply in
18 writing and contribute to the Fund an amount to be determined
19 by the Fund, equal to (i) employee contributions for the
20 service to be established, based on the actual salary
21 received by the applicant for that service and the
22 contribution rates then in effect, plus (ii) the
23 corresponding municipal contributions, plus (iii) interest on
24 the amounts in items (i) and (ii) at the rate of 6% per year,
25 compounded annually, from the time the service was completed
26 to the date of payment.

27 (40 ILCS 5/5-233.1 new)

28 Sec. 5-233.1. Transfer of creditable service to Article
29 8 or 11 fund. A person who (i) is an active participant in a
30 fund established under Article 8 or 11 of this Code and (ii)
31 has at least 10 and no more than 22 years of creditable
32 service in this Fund may, within the 90 days following the

1 effective date of this Section, apply for transfer of his or
 2 her credits and creditable service accumulated in this Fund
 3 to the Article 8 or 11 fund. At the time of the transfer,
 4 this Fund shall pay to the Article 8 or 11 fund an amount
 5 consisting of:

6 (1) the amounts credited to the applicant through
 7 employee contributions for the service to be transferred,
 8 including interest; and

9 (2) the corresponding municipality credits,
 10 including interest, on the books of the Fund on the date
 11 of transfer.

12 Participation in this Fund with respect to the credits
 13 transferred shall terminate on the date of transfer.

14 (40 ILCS 5/5-236) (from Ch. 108 1/2, par. 5-236)
 15 Sec. 5-236. Transfer to Article 14.

16 (a) ~~Until January 31, 1994,~~ Any active member of the
 17 State Employees' Retirement System who is employed in a
 18 position for which he or she earns eligible creditable
 19 service as defined in Section 14-110 of this Code a State
 20 ~~policeman or investigator for the Secretary of State~~ may
 21 apply for transfer of all or a portion of his or her
 22 creditable service accumulated under this Article to the
 23 State Employees' Retirement System in accordance with Section
 24 14-110. At the time of the transfer the Fund shall pay to
 25 the State Employees' Retirement System an amount equal to:

26 (1) the amounts accumulated to the credit of the
 27 applicant on the books of the Fund for the service to be
 28 transferred on the date of transfer; and

29 (2) the corresponding municipality credits,
 30 including interest, on the books of the Fund on the date
 31 of transfer; and

32 (3) any interest paid by the applicant in order to
 33 reinstate that service.

1 Participation in this Fund with respect to the service
2 transferred shall terminate on the date of transfer.

3 (b) ~~Until January 31, 1994, Any person transferring~~
4 ~~service under subsection (a) such State policeman or~~
5 ~~investigator for the Secretary of State~~ may reinstate service
6 that was terminated by receipt of a refund, by paying to the
7 Fund the amount of the refund with interest thereon at the
8 rate of 6% per year, compounded annually, from the date of
9 refund to the date of payment.

10 (c) ~~Within 30 days after the effective date of this~~
11 ~~amendatory Act of 1993, any active member of the State~~
12 ~~Employees' Retirement System who was earning eligible~~
13 ~~creditable service under subdivision (b)(12) of Section~~
14 ~~14-110 on January 17, 1992 and who has at least 17 years of~~
15 ~~creditable service under this Article may apply for transfer~~
16 ~~of his creditable service accumulated under this Article to~~
17 ~~the State Employees' Retirement System. At the time of the~~
18 ~~transfer the Fund shall pay to the State Employees'~~
19 ~~Retirement System an amount equal to:~~

20 (1) ~~the amounts accumulated to the credit of the~~
21 ~~applicant on the books of the Fund on the date of~~
22 ~~transfer; and~~

23 (2) ~~the corresponding municipality credits,~~
24 ~~including interest, on the books of the Fund on the date~~
25 ~~of transfer.~~

26 Participation in this Fund shall terminate on the date of
27 transfer.

28 (Source: P.A. 86-1488; 87-1265.)

29 (40 ILCS 5/7-139.7) (from Ch. 108 1/2, par. 7-139.7)
30 Sec. 7-139.7. Transfer to Article 14.

31 (a) Until January 31, 1994, any active member of the
32 State Employees' Retirement System who is a State policeman,
33 a conservation police officer, or an investigator for the

1 Secretary of State may apply for transfer of his creditable
 2 service accumulated under this Article for service as a
 3 sheriff's law enforcement employee, or service as a municipal
 4 conservator of the peace, certified under the Police Training
 5 Act, to the State Employees' Retirement System. At the time
 6 of the transfer the Fund shall pay to the State Employees'
 7 Retirement System an amount equal to:

8 (1) the amounts accumulated to the credit of the
 9 applicant for such service on the books of the Fund on
 10 the date of transfer; and

11 (2) the corresponding municipality credits,
 12 including interest, on the books of the Fund on the date
 13 of transfer; and

14 (3) any interest paid by the applicant in order to
 15 reinstate such service.

16 Participation in this Fund with respect to the transferred
 17 credits shall terminate on the date of transfer.

18 (b) Until January 31, 1993, any such State policeman,
 19 conservation police officer or investigator for the Secretary
 20 of State may reinstate service that was terminated by receipt
 21 of a refund, by paying to the Fund the amount of the refund
 22 with interest thereon at the effective rate from the date of
 23 refund to the date of payment.

24 (c) Until July 1, 2002, any active member of the State
 25 Employees' Retirement System who is a State policeman may
 26 apply for transfer of all or a portion of his or her
 27 creditable service accumulated under this Article for service
 28 as a Metropolitan Enforcement Group agent employed by a
 29 police department to the State Employees' Retirement System
 30 in accordance with Section 14-110. At the time of the
 31 transfer the Fund shall pay to the State Employees'
 32 Retirement System an amount equal to:

33 (1) the amounts accumulated to the credit of the
 34 applicant for the service to be transferred on the books

1 of the Fund on the date of transfer; and
 2 (2) the corresponding municipality credits,
 3 including interest, on the books of the Fund on the date
 4 of transfer.

5 Participation in this Fund with respect to the transferred
 6 credits shall terminate on the date of transfer.

7 (Source: P.A. 87-794; 87-850; 87-1265.)

8 (40 ILCS 5/7-139.8) (from Ch. 108 1/2, par. 7-139.8)
 9 Sec. 7-139.8. Transfer to Article 14 System.

10 (a) Any active member of the State Employees' Retirement
 11 System who is employed in a position for which he or she
 12 earns eligible creditable service as defined in Section
 13 14-110 of this Code an investigator for the Office of the
 14 State's Attorneys Appellate Prosecutor or a controlled
 15 substance inspector may apply for transfer of all or a
 16 portion of his or her credits and creditable service
 17 accumulated in this Fund for service as a sheriff's law
 18 enforcement employee or service as a municipal conservator of
 19 the peace certified under the Police Training Act, to the
 20 State Employees' Retirement System in accordance with Section
 21 14-110. The creditable service shall be transferred only
 22 upon payment by this Fund to the State Employees' Retirement
 23 System of an amount equal to:

24 (1) the amounts accumulated to the credit of the
 25 applicant for the service to be transferred as a
 26 sheriff's law enforcement employee, including interest;
 27 and

28 (2) municipality credits based on such service,
 29 including interest; and

30 (3) any interest paid by the applicant to reinstate
 31 such service.

32 Participation in this Fund as to any credits transferred
 33 under this Section shall terminate on the date of transfer.

1 (b) Any person transferring service under subsection (a)
 2 ~~sueh-investigator-or--inspeeter~~ may reinstate credits and
 3 creditable service terminated upon receipt of a separation
 4 benefit, by paying to the Fund the amount of the separation
 5 benefit plus interest thereon at the rate of 6% per year to
 6 the date of payment.

7 (Source: P.A. 90-32, eff. 6-27-97.)

8 (40 ILCS 5/8-110) (from Ch. 108 1/2, par. 8-110)

9 Sec. 8-110. Employer. "Employer":

10 (1) a city of more than 500,000 inhabitants;

11 (2) er the Board of Education of the sueh city, with
 12 respect to any of its employees who participate in this Fund;

13 (3) the Chicago Housing Authority, with respect to any
 14 of its employees who participate in this Fund subject to the
 15 provisions of Section 8-230.9;

16 (4) the Public Building Commission of the city, with
 17 respect to any of its employees who participate in this Fund;
 18 and

19 (5) to-which-this-Article--applies,--er the Retirement
 20 Board.

21 (Source: Laws 1968, p. 181.)

22 (40 ILCS 5/8-113) (from Ch. 108 1/2, par. 8-113)

23 Sec. 8-113. Municipal employee, employee, contributor,
 24 or participant. "Municipal employee", "employee",
 25 "contributor", or "participant":

26 (a) Any employee of an employer employed in the
 27 classified civil service thereof other than by temporary
 28 appointment or in a position excluded or exempt from the
 29 classified service by the Civil Service Act, or in the case
 30 of a city operating under a personnel ordinance, any employee
 31 of an employer employed in the classified or career service
 32 under the provisions of a personnel ordinance, other than in

1 a provisional or exempt position as specified in such
2 ordinance or in rules and regulations formulated thereunder.

3 (b) Any employee in the service of an employer before
4 the Civil Service Act came in effect for the employer.

5 (c) Any person employed by the board.

6 (d) Any person employed after December 31, 1949, but
7 prior to January 1, 1984, in the service of the employer by
8 temporary appointment or in a position exempt from the
9 classified service as set forth in the Civil Service Act, or
10 in a provisional or exempt position as specified in the
11 personnel ordinance, who meets the following qualifications:

12 (1) has rendered service during not less than 12
13 calendar months to an employer as an employee, officer, or
14 official, 4 months of which must have been consecutive full
15 normal working months of service rendered immediately prior
16 to filing application to be included; and

17 (2) files written application with the board, while in
18 the service, to be included hereunder.

19 (e) After December 31, 1949, any alderman or other
20 officer or official of the employer, who files, while in
21 office, written application with the board to be included
22 hereunder.

23 (f) Beginning January 1, 1984, any person employed by an
24 employer other than the Chicago Housing Authority or the
25 Public Building Commission of the city, whether or not such
26 person is serving by temporary appointment or in a position
27 exempt from the classified service as set forth in the Civil
28 Service Act, or in a provisional or exempt position as
29 specified in the personnel ordinance, provided that such
30 person is neither (1) an alderman or other officer or
31 official of the employer, nor (2) participating, on the basis
32 of such employment, in any other pension fund or retirement
33 system established under this Act.

34 (g) After December 31, 1959, any person employed in the

1 law department of the city, or municipal court or Board of
2 Election Commissioners of the city, who was a contributor and
3 participant, on December 31, 1959, in the annuity and benefit
4 fund in operation in the city on said date, by virtue of the
5 Court and Law Department Employees' Annuity Act or the Board
6 of Election Commissioners Employees' Annuity Act.

7 After December 31, 1959, the foregoing definition
8 includes any other person employed or to be employed in the
9 law department, or municipal court (other than as a judge),
10 or Board of Election Commissioners (if his salary is provided
11 by appropriation of the city council of the city and his
12 salary paid by the city) -- subject, however, in the case of
13 such persons not participants on December 31, 1959, to
14 compliance with the same qualifications and restrictions
15 otherwise set forth in this Section and made generally
16 applicable to employees or officers of the city concerning
17 eligibility for participation or membership.

18 (h) After December 31, 1965, any person employed in the
19 public library of the city -- and any other person -- who was
20 a contributor and participant, on December 31, 1965, in the
21 pension fund in operation in the city on said date, by virtue
22 of the Public Library Employees' Pension Act.

23 (i) After December 31, 1968, any person employed in the
24 house of correction of the city, who was a contributor and
25 participant, on December 31, 1968, in the pension fund in
26 operation in the city on said date, by virtue of the House of
27 Correction Employees' Pension Act.

28 (j) Any person employed full-time on or after the
29 effective date of this amendatory Act of the 92nd General
30 Assembly by the Chicago Housing Authority who has elected to
31 participate in this Fund as provided in subsection (a) of
32 Section 8-230.9.

33 (k) Any person employed full-time by the Public Building
34 Commission of the city who has elected to participate in this

1 Fund as provided in subsection (d) of Section 8-230.7.

2 (Source: P.A. 83-802.)

3 (40 ILCS 5/8-120) (from Ch. 108 1/2, par. 8-120)

4 Sec. 8-120. Child or children. "Child" or "children":
5 The natural child or children, or any child or children
6 legally adopted by an employee at least one year prior to the
7 date any benefit for the child or children accrues, ~~and~~ ~~so~~
8 ~~adopted prior to the date the employee attained age 55.~~

9 (Source: P.A. 84-1028.)

10 (40 ILCS 5/8-137) (from Ch. 108 1/2, par. 8-137)

11 Sec. 8-137. Automatic increase in annuity.

12 (a) An employee who retired or retires from service
13 after December 31, 1959 and before January 1, 1987, having
14 attained age 60 or more, shall, in January of the year after
15 the year in which the first anniversary of retirement occurs,
16 have the amount of his then fixed and payable monthly annuity
17 increased by 1 1/2%, and such first fixed annuity as granted
18 at retirement increased by a further 1 1/2% in January of
19 each year thereafter. Beginning with January of the year
20 1972, such increases shall be at the rate of 2% in lieu of
21 the aforesaid specified 1 1/2%, and beginning with January of
22 the year 1984 such increases shall be at the rate of 3%.
23 Beginning in January of 1999, such increases shall be at the
24 rate of 3% of the currently payable monthly annuity,
25 including any increases previously granted under this
26 Article. An employee who retires on annuity after December
27 31, 1959 and before January 1, 1987, but before age 60, shall
28 receive such increases beginning in January of the year after
29 the year in which he attains age 60.

30 An employee who retires from service on or after January
31 1, 1987 shall, upon the first annuity payment date following
32 the first anniversary of the date of retirement, or upon the

1 first annuity payment date following attainment of age 60,
2 whichever occurs later, have his then fixed and payable
3 monthly annuity increased by 3%, and such annuity shall be
4 increased by an additional 3% of the original fixed annuity
5 on the same date each year thereafter. Beginning in January
6 of 1999, such increases shall be at the rate of 3% of the
7 currently payable monthly annuity, including any increases
8 previously granted under this Article.

9 (a-5) Notwithstanding the provisions of subsection (a),
10 upon the first annuity payment date following (1) the third
11 anniversary of retirement, (2) the attainment of age 53, or
12 (3) the date 60 days after the effective date of this
13 amendatory Act of the 92nd General Assembly, whichever occurs
14 latest, the monthly pension of an employee who retires on
15 annuity prior to the attainment of age 60 who has not
16 received an increase under subsection (a) shall be increased
17 by 3%, and such annuity shall be increased by an additional
18 3% of the current payable monthly annuity, including such
19 increases previously granted under this Article, on the same
20 date each year thereafter. The increases provided under this
21 subsection are in lieu of the increases provided in
22 subsection (a).

23 (b) Subsections (a) and (a-5) are ~~The--foregoing~~
24 ~~provision-is~~ not applicable to an employee retiring and
25 receiving a term annuity, as herein defined, nor to any
26 otherwise qualified employee who retires before he makes
27 employee contributions (at the 1/2 of 1% rate as provided in
28 this Act) for this additional annuity for not less than the
29 equivalent of one full year. Such employee, however, shall
30 make arrangement to pay to the fund a balance of such 1/2 of
31 1% contributions, based on his final salary, as will bring
32 such 1/2 of 1% contributions, computed without interest, to
33 the equivalent of or completion of one year's contributions.

34 Beginning with January, 1960, each employee shall

1 contribute by means of salary deductions 1/2 of 1% of each
2 salary payment, concurrently with and in addition to the
3 employee contributions otherwise made for annuity purposes.

4 Each such additional contribution shall be credited to an
5 account in the prior service annuity reserve, to be used,
6 together with city contributions, to defray the cost of the
7 specified annuity increments. Any balance in such account at
8 the beginning of each calendar year shall be credited with
9 interest at the rate of 3% per annum.

10 Such additional employee contributions are not
11 refundable, except to an employee who withdraws and applies
12 for refund under this Article, and in cases where a term
13 annuity becomes payable. In such cases his contributions
14 shall be refunded, without interest, and charged to such
15 account in the prior service annuity reserve.

16 (Source: P.A. 90-766, eff. 8-14-98.)

17 (40 ILCS 5/8-138) (from Ch. 108 1/2, par. 8-138)

18 Sec. 8-138. Minimum annuities - Additional provisions.

19 (a) An employee who withdraws after age 65 or more with
20 at least 20 years of service, for whom the amount of age and
21 service and prior service annuity combined is less than the
22 amount stated in this Section, shall from the date of
23 withdrawal, instead of all annuities otherwise provided, be
24 entitled to receive an annuity for life of \$150 a year, plus
25 1 1/2% for each year of service, to and including 20 years,
26 and 1 2/3% for each year of service over 20 years, of his
27 highest average annual salary for any 4 consecutive years
28 within the last 10 years of service immediately preceding the
29 date of withdrawal.

30 An employee who withdraws after 20 or more years of
31 service, before age 65, shall be entitled to such annuity, to
32 begin not earlier than upon attained age of 55 years if under
33 such age at withdrawal, reduced by 2% for each full year or

1 fractional part thereof that his attained age is less than
2 65, plus an additional 2% reduction for each full year or
3 fractional part thereof that his attained age when annuity is
4 to begin is less than 60 so that the total reduction at age
5 55 shall be 30%.

6 (b) An employee who withdraws after July 1, 1957, at age
7 60 or over, with 20 or more years of service, for whom the
8 age and service and prior service annuity combined, is less
9 than the amount stated in this paragraph, shall, from the
10 date of withdrawal, instead of such annuities, be entitled to
11 receive an annuity for life equal to 1 2/3% for each year of
12 service, of the highest average annual salary for any 5
13 consecutive years within the last 10 years of service
14 immediately preceding the date of withdrawal; provided, that
15 in the case of any employee who withdraws on or after July 1,
16 1971, such employee age 60 or over with 20 or more years of
17 service, shall receive an annuity for life equal to 1.67% for
18 each of the first 10 years of service; 1.90% for each of the
19 next 10 years of service; 2.10% for each year of service in
20 excess of 20 but not exceeding 30; and 2.30% for each year of
21 service in excess of 30, based on the highest average annual
22 salary for any 4 consecutive years within the last 10 years
23 of service immediately preceding the date of withdrawal.

24 An employee who withdraws after July 1, 1957 and before
25 January 1, 1988, with 20 or more years of service, before age
26 60 years is entitled to annuity, to begin not earlier than
27 upon attained age of 55 years, if under such age at
28 withdrawal, as computed in the last preceding paragraph,
29 reduced 0.25% for each full month or fractional part thereof
30 that his attained age when annuity is to begin is less than
31 60 if the employee was born before January 1, 1936, or 0.5%
32 for each such month if the employee was born on or after
33 January 1, 1936.

34 Any employee born before January 1, 1936, who withdraws

1 with 20 or more years of service, and any employee with 20 or
2 more years of service who withdraws on or after January 1,
3 1988, may elect to receive, in lieu of any other employee
4 annuity provided in this Section, an annuity for life equal
5 to 1.80% for each of the first 10 years of service, 2.00% for
6 each of the next 10 years of service, 2.20% for each year of
7 service in excess of 20 but not exceeding 30, and 2.40% for
8 each year of service in excess of 30, of the highest average
9 annual salary for any 4 consecutive years within the last 10
10 years of service immediately preceding the date of
11 withdrawal, to begin not earlier than upon attained age of 55
12 years, if under such age at withdrawal, reduced 0.25% for
13 each full month or fractional part thereof that his attained
14 age when annuity is to begin is less than 60; except that an
15 employee retiring on or after January 1, 1988, at age 55 or
16 over but less than age 60, having at least 35 years of
17 service, or an employee retiring on or after July 1, 1990, at
18 age 55 or over but less than age 60, having at least 30 years
19 of service, or an employee retiring on or after the effective
20 date of this amendatory Act of 1997, at age 55 or over but
21 less than age 60, having at least 25 years of service, shall
22 not be subject to the reduction in retirement annuity because
23 of retirement below age 60.

24 However, in the case of an employee who retired on or
25 after January 1, 1985 but before January 1, 1988, at age 55
26 or older and with at least 35 years of service, and who was
27 subject under this subsection (b) to the reduction in
28 retirement annuity because of retirement below age 60, that
29 reduction shall cease to be effective January 1, 1991, and
30 the retirement annuity shall be recalculated accordingly.

31 Any employee who withdraws on or after July 1, 1990, with
32 20 or more years of service, may elect to receive, in lieu of
33 any other employee annuity provided in this Section, an
34 annuity for life equal to 2.20% for each year of service if

1 withdrawal is before 60 days after the effective date of this
2 amendatory Act of the 92nd General Assembly, or 2.40% for
3 each year of service if withdrawal is 60 days after the
4 effective date of this amendatory Act of the 92nd General
5 Assembly or later, of the highest average annual salary for
6 any 4 consecutive years within the last 10 years of service
7 immediately preceding the date of withdrawal, to begin not
8 earlier than upon attained age of 55 years, if under such age
9 at withdrawal, reduced 0.25% for each full month or
10 fractional part thereof that his attained age when annuity is
11 to begin is less than 60; except that an employee retiring at
12 age 55 or over but less than age 60, having at least 30 years
13 of service, shall not be subject to the reduction in
14 retirement annuity because of retirement below age 60.

15 Any employee who withdraws on or after the effective date
16 of this amendatory Act of 1997 with 20 or more years of
17 service may elect to receive, in lieu of any other employee
18 annuity provided in this Section, an annuity for life equal
19 to 2.20%, for each year of service, if withdrawal is before
20 60 days after the effective date of this amendatory Act of
21 the 92nd General Assembly, or 2.40% for each year of service
22 if withdrawal is 60 days after the effective date of this
23 amendatory Act of the 92nd General Assembly or later, of the
24 highest average annual salary for any 4 consecutive years
25 within the last 10 years of service immediately preceding the
26 date of withdrawal, to begin not earlier than upon attainment
27 of age 55 (age 50 if the employee has at least 30 years of
28 service), reduced 0.25% for each full month or remaining
29 fractional part thereof that the employee's attained age when
30 annuity is to begin is less than 60; except that an employee
31 retiring at age 50 or over with at least 30 years of service
32 or at age 55 or over with at least 25 years of service shall
33 not be subject to the reduction in retirement annuity because
34 of retirement below age 60.

1 The maximum annuity payable under part (a) and (b) of
2 this Section shall not exceed 70% of highest average annual
3 salary in the case of an employee who withdraws prior to July
4 1, 1971, and 75% if withdrawal takes place on or after July
5 1, 1971 and prior to 60 days after the effective date of this
6 amendatory Act of the 92nd General Assembly, or 80% if
7 withdrawal is 60 days after the effective date of this
8 amendatory Act of the 92nd General Assembly or later. For the
9 purpose of the minimum annuity provided in this Section
10 \$1,500 is considered the minimum annual salary for any year;
11 and the maximum annual salary for the computation of such
12 annuity is \$4,800 for any year before 1953, \$6000 for the
13 years 1953 to 1956, inclusive, and the actual annual salary,
14 as salary is defined in this Article, for any year
15 thereafter.

16 To preserve rights existing on December 31, 1959, for
17 participants and contributors on that date to the fund
18 created by the Court and Law Department Employees' Annuity
19 Act, who became participants in the fund provided for on
20 January 1, 1960, the maximum annual salary to be considered
21 for such persons for the years 1955 and 1956 is \$7,500.

22 (c) For an employee receiving disability benefit, his
23 salary for annuity purposes under paragraphs (a) and (b) of
24 this Section, for all periods of disability benefit
25 subsequent to the year 1956, is the amount on which his
26 disability benefit was based.

27 (d) An employee with 20 or more years of service, whose
28 entire disability benefit credit period expires before
29 attainment of age 55 while still disabled for service, is
30 entitled upon withdrawal to the larger of (1) the minimum
31 annuity provided above, assuming he is then age 55, and
32 reducing such annuity to its actuarial equivalent as of his
33 attained age on such date or (2) the annuity provided from
34 his age and service and prior service annuity credits.

1 (e) The minimum annuity provisions do not apply to any
2 former municipal employee receiving an annuity from the fund
3 who re-enters service as a municipal employee, unless he
4 renders at least 3 years of additional service after the date
5 of re-entry.

6 (f) An employee in service on July 1, 1947, or who
7 became a contributor after July 1, 1947 and before attainment
8 of age 70, who withdraws after age 65, with less than 20
9 years of service for whom the annuity has been fixed under
10 this Article shall, instead of the annuity so fixed, receive
11 an annuity as follows:

12 Such amount as he could have received had the accumulated
13 amounts for annuity been improved with interest at the
14 effective rate to the date of his withdrawal, or to
15 attainment of age 70, whichever is earlier, and had the city
16 contributed to such earlier date for age and service annuity
17 the amount that it would have contributed had he been under
18 age 65, after the date his annuity was fixed in accordance
19 with this Article, and assuming his annuity were computed
20 from such accumulations as of his age on such earlier date.
21 The annuity so computed shall not exceed the annuity which
22 would be payable under the other provisions of this Section
23 if the employee was credited with 20 years of service and
24 would qualify for annuity thereunder.

25 (g) Instead of the annuity provided in this Article, an
26 employee having attained age 65 with at least 15 years of
27 service who withdraws from service on or after July 1, 1971
28 and whose annuity computed under other provisions of this
29 Article is less than the amount provided under this
30 paragraph, is entitled to a minimum annuity for life equal to
31 1% of the highest average annual salary, as salary is defined
32 and limited in this Section for any 4 consecutive years
33 within the last 10 years of service for each year of service,
34 plus the sum of \$25 for each year of service. The annuity

1 shall not exceed 60% of such highest average annual salary.

2 (g-1) Instead of any other retirement annuity provided
3 in this Article, an employee who has at least 10 years of
4 service and withdraws from service on or after January 1,
5 1999 may elect to receive a retirement annuity for life,
6 beginning no earlier than upon attainment of age 60, equal to
7 2.2% if withdrawal is before 60 days after the effective date
8 of this amendatory Act of the 92nd General Assembly or 2.4%
9 if withdrawal is 60 days after the effective date of this
10 amendatory Act of the 92nd General Assembly or later, of
11 final average salary for each year of service, subject to a
12 maximum of 75% of final average salary if withdrawal is
13 before 60 days after the effective date of this amendatory
14 Act of the 92nd General Assembly, or 80% if withdrawal is 60
15 days after the effective date of this amendatory Act of the
16 92nd General Assembly or later. For the purpose of
17 calculating this annuity, "final average salary" means the
18 highest average annual salary for any 4 consecutive years in
19 the last 10 years of service.

20 (h) The minimum annuities provided under this Section
21 shall be paid in equal monthly installments.

22 (i) The amendatory provisions of part (b) and (g) of
23 this Section shall be effective July 1, 1971 and apply in the
24 case of every qualifying employee withdrawing on or after
25 July 1, 1971.

26 (j) The amendatory provisions of this amendatory Act of
27 1985 (P.A. 84-23) relating to the discount of annuity because
28 of retirement prior to attainment of age 60, and to the
29 retirement formula, for those born before January 1, 1936,
30 shall apply only to qualifying employees withdrawing on or
31 after July 18, 1985.

32 (k) Beginning on January 1, 1999, the minimum amount of
33 employee's annuity shall be \$850 per month for life for the
34 following classes of employees, without regard to the fact

1 that withdrawal occurred prior to the effective date of this
2 amendatory Act of 1998:

3 (1) any employee annuitant alive and receiving a
4 life annuity on the effective date of this amendatory Act
5 of 1998, except a reciprocal annuity;

6 (2) any employee annuitant alive and receiving a
7 term annuity on the effective date of this amendatory Act
8 of 1998, except a reciprocal annuity;

9 (3) any employee annuitant alive and receiving a
10 reciprocal annuity on the effective date of this
11 amendatory Act of 1998, whose service in this fund is at
12 least 5 years;

13 (4) any employee annuitant withdrawing after age 60
14 on or after the effective date of this amendatory Act of
15 1998, with at least 10 years of service in this fund.

16 The increases granted under items (1), (2) and (3) of
17 this subsection (k) shall not be limited by any other Section
18 of this Act.

19 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
20 90-766, eff. 8-14-98.)

21 (40 ILCS 5/8-150.1) (from Ch. 108 1/2, par. 8-150.1)
22 Sec. 8-150.1. Minimum annuities for widows. The widow
23 (otherwise eligible for widow's annuity under other Sections
24 of this Article 8) of an employee hereinafter described, who
25 retires from service or dies while in the service subsequent
26 to the effective date of this amendatory provision, and for
27 which widow the amount of widow's annuity and widow's prior
28 service annuity combined, fixed or provided for such widow
29 under other provisions of this Article is less than the
30 amount provided in this Section, shall, from and after the
31 date her otherwise provided annuity would begin, in lieu of
32 such otherwise provided widow's and widow's prior service
33 annuity, be entitled to the following indicated amount of

1 annuity:

2 (a) The widow of any employee who dies while in service
3 on or after the date on which he attains age 60 if the death
4 occurs before July 1, 1990, or on or after the date on which
5 he attains age 55 if the death occurs on or after July 1,
6 1990, with at least 20 years of service, or on or after the
7 date on which he attains age 50 if the death occurs on or
8 after the effective date of this amendatory Act of 1997 with
9 at least 30 years of service, shall be entitled to an annuity
10 equal to one-half of the amount of annuity which her deceased
11 husband would have been entitled to receive had he withdrawn
12 from the service on the day immediately preceding the date of
13 his death, conditional upon such widow having attained the
14 age of 60 or more years on such date if the death occurs
15 before July 1, 1990, or age 55 or more if the death occurs on
16 or after July 1, 1990, or age 50 or more if the death occurs
17 on or after January 1, 1998 and the employee is age 50 or
18 over with at least 30 years of service or age 55 or over with
19 at least 25 years of service. Except as provided in
20 subsection (k), this widow's annuity shall not, however,
21 exceed the sum of \$500 a month if the employee's death in
22 service occurs before January 23, 1987. The widow's annuity
23 shall not be limited to a maximum dollar amount if the
24 employee's death in service occurs on or after January 23,
25 1987.

26 If the employee dies in service before July 1, 1990, and
27 if such widow of such described employee shall not be 60 or
28 more years of age on such date of death, the amount provided
29 in the immediately preceding paragraph for a widow 60 or more
30 years of age, shall, in the case of such younger widow, be
31 reduced by 0.25% for each month that her then attained age is
32 less than 60 years if the employee was born before January 1,
33 1936 or dies in service on or after January 1, 1988, or by
34 0.5% for each month that her then attained age is less than

1 60 years if the employee was born on or after July 1, 1936
2 and dies in service before January 1, 1988.

3 If the employee dies in service on or after July 1, 1990,
4 and if the widow of the employee has not attained age 55 on
5 or before the employee's date of death, the amount otherwise
6 provided in this subsection (a) shall be reduced by 0.25% for
7 each month that her then attained age is less than 55 years;
8 except that if the employee dies in service on or after
9 January 1, 1998 at age 50 or over with at least 30 years of
10 service or at age 55 or over with at least 25 years of
11 service, there shall be no reduction due to the widow's age
12 if she has attained age 50 on or before the employee's date
13 of death, and if the widow has not attained age 50 on or
14 before the employee's date of death the amount otherwise
15 provided in this subsection (a) shall be reduced by 0.25% for
16 each month that her then attained age is less than 50 years.

17 (b) The widow of any employee who dies subsequent to the
18 date of his retirement on annuity, and who so retired on or
19 after the date on which he attained the age of 60 or more
20 years if retirement occurs before July 1, 1990, or on or
21 after the date on which he attained age 55 if retirement
22 occurs on or after July 1, 1990, with at least 20 years of
23 service, or on or after the date on which he attained age 50
24 if the retirement occurs on or after the effective date of
25 this amendatory Act of 1997 with at least 30 years of
26 service, shall be entitled to an annuity equal to one-half of
27 the amount of annuity which her deceased husband received as
28 of the date of his retirement on annuity, conditional upon
29 such widow having attained the age of 60 or more years on the
30 date of her husband's retirement on annuity if retirement
31 occurs before July 1, 1990, or age 55 or more if retirement
32 occurs on or after July 1, 1990, or age 50 or more if the
33 retirement on annuity occurs on or after January 1, 1998 and
34 the employee is age 50 or over with at least 30 years of

1 service or age 55 or over with at least 25 years of service.
2 Except as provided in subsection (k), this widow's annuity
3 shall not, however, exceed the sum of \$500 a month if the
4 employee's death occurs before January 23, 1987. The widow's
5 annuity shall not be limited to a maximum dollar amount if
6 the employee's death occurs on or after January 23, 1987,
7 regardless of the date of retirement; provided that, if
8 retirement was before January 23, 1987, the employee or
9 eligible spouse repays the excess spouse refund with interest
10 at the effective rate from the date of refund to the date of
11 repayment.

12 If the date of the employee's retirement on annuity is
13 before July 1, 1990, and if such widow of such described
14 employee shall not have attained such age of 60 or more years
15 on such date of her husband's retirement on annuity, the
16 amount provided in the immediately preceding paragraph for a
17 widow 60 or more years of age on the date of her husband's
18 retirement on annuity, shall, in the case of such then
19 younger widow, be reduced by 0.25% for each month that her
20 then attained age was less than 60 years if the employee was
21 born before January 1, 1936 or withdraws from service on or
22 after January 1, 1988, or by 0.5% for each month that her
23 then attained age is less than 60 years if the employee was
24 born on or after January 1, 1936 and withdraws from service
25 before January 1, 1988.

26 If the date of the employee's retirement on annuity is on
27 or after July 1, 1990, and if the widow of the employee has
28 not attained age 55 by the date of the employee's retirement
29 on annuity, the amount otherwise provided in this subsection
30 (b) shall be reduced by 0.25% for each month that her then
31 attained age is less than 55 years; except that if the
32 employee retires on annuity on or after January 1, 1998 at
33 age 50 or over with at least 30 years of service or at age 55
34 or over with at least 25 years of service, there shall be no

1 reduction due to the widow's age if she has attained age 50
2 on or before the employee's date of death, and if the widow
3 has not attained age 50 on or before the employee's date of
4 death the amount otherwise provided in this subsection (b)
5 shall be reduced by 0.25% for each month that her then
6 attained age is less than 50 years.

7 (c) The foregoing provisions relating to minimum
8 annuities for widows shall not apply to the widow of any
9 former municipal employee receiving an annuity from the fund
10 on August 9, 1965 or on the effective date of this amendatory
11 provision, who re-enters service as a municipal employee,
12 unless such employee renders at least 3 years of additional
13 service after the date of re-entry.

14 (d) In computing the amount of annuity which the husband
15 specified in the foregoing paragraphs (a) and (b) of this
16 Section would have been entitled to receive, or received,
17 such amount shall be the annuity to which such husband would
18 have been, or was entitled, before reduction in the amount of
19 his annuity for the purposes of the voluntary optional
20 reversionary annuity provided for in Sec. 8-139 of this
21 Article, if such option was elected.

22 (e) (Blank).

23 (f) (Blank).

24 (g) The amendatory provisions of this amendatory Act of
25 1985 relating to annuity discount because of age for widows
26 of employees born before January 1, 1936, shall apply only to
27 qualifying widows of employees withdrawing or dying in
28 service on or after July 18, 1985.

29 (h) Beginning on January 1, 1999, the minimum amount of
30 widow's annuity shall be \$800 per month for life for the
31 following classes of widows, without regard to the fact that
32 the death of the employee occurred prior to the effective
33 date of this amendatory Act of 1998:

34 (1) any widow annuitant alive and receiving a life

1 annuity on the effective date of this amendatory Act of
2 1998, except a reciprocal annuity;

3 (2) any widow annuitant alive and receiving a term
4 annuity on the effective date of this amendatory Act of
5 1998, except a reciprocal annuity;

6 (3) any widow annuitant alive and receiving a
7 reciprocal annuity on the effective date of this
8 amendatory Act of 1998, whose employee spouse's service
9 in this fund was at least 5 years;

10 (4) the widow of an employee with at least 10 years
11 of service in this fund who dies after retirement, if the
12 retirement occurred prior to the effective date of this
13 amendatory Act of 1998;

14 (5) the widow of an employee with at least 10 years
15 of service in this fund who dies after retirement, if
16 withdrawal occurs on or after the effective date of this
17 amendatory Act of 1998;

18 (6) the widow of an employee who dies in service
19 with at least 5 years of service in this fund, if the
20 death in service occurs on or after the effective date of
21 this amendatory Act of 1998.

22 The increases granted under items (1), (2), (3) and (4)
23 of this subsection (h) shall not be limited by any other
24 Section of this Act.

25 (i) The widow of an employee who retired or died in
26 service on or after January 1, 1985 and before July 1, 1990,
27 at age 55 or older, and with at least 35 years of service
28 credit, shall be entitled to have her widow's annuity
29 increased, effective January 1, 1991, to an amount equal to
30 50% of the retirement annuity that the deceased employee
31 received on the date of retirement, or would have been
32 eligible to receive if he had retired on the day preceding
33 the date of his death in service, provided that if the widow
34 had not attained age 60 by the date of the employee's

1 retirement or death in service, the amount of the annuity
2 shall be reduced by 0.25% for each month that her then
3 attained age was less than age 60 if the employee's
4 retirement or death in service occurred on or after January
5 1, 1988, or by 0.5% for each month that her attained age is
6 less than age 60 if the employee's retirement or death in
7 service occurred prior to January 1, 1988. However, in cases
8 where a refund of excess contributions for widow's annuity
9 has been paid by the Fund, the increase in benefit provided
10 by this subsection (i) shall be contingent upon repayment of
11 the refund to the Fund with interest at the effective rate
12 from the date of refund to the date of payment.

13 (j) If a deceased employee is receiving a retirement
14 annuity at the time of death and that death occurs on or
15 after June 27, 1997, the widow may elect to receive, in lieu
16 of any other annuity provided under this Article, 50% of the
17 deceased employee's retirement annuity at the time of death
18 reduced by 0.25% for each month that the widow's age on the
19 date of death is less than 55; except that if the employee
20 dies on or after January 1, 1998 and withdrew from service on
21 or after June 27, 1997 at age 50 or over with at least 30
22 years of service or at age 55 or over with at least 25 years
23 of service, there shall be no reduction due to the widow's
24 age if she has attained age 50 on or before the employee's
25 date of death, and if the widow has not attained age 50 on or
26 before the employee's date of death the amount otherwise
27 provided in this subsection (j) shall be reduced by 0.25% for
28 each month that her age on the date of death is less than 50
29 years. However, in cases where a refund of excess
30 contributions for widow's annuity has been paid by the Fund,
31 the benefit provided by this subsection (j) is contingent
32 upon repayment of the refund to the Fund with interest at the
33 effective rate from the date of refund to the date of
34 payment.

1 (k) For widows of employees who died before January 23,
 2 1987 after retirement on annuity or in service, the maximum
 3 dollar amount limitation on widow's annuity shall cease to
 4 apply, beginning with the first annuity payment after the
 5 effective date of this amendatory Act of 1997; except that if
 6 a refund of excess contributions for widow's annuity has been
 7 paid by the Fund, the increase resulting from this subsection
 8 (k) shall not begin before the refund has been repaid to the
 9 Fund, together with interest at the effective rate from the
 10 date of the refund to the date of repayment.

11 (l) In lieu of any other annuity provided in this
 12 Article, an eligible spouse of an employee who dies in
 13 service at least 60 days after the effective date of this
 14 amendatory Act of the 92nd General Assembly with at least 10
 15 years of service shall be entitled to an annuity of 50% of
 16 the minimum formula annuity earned and accrued to the credit
 17 of the employee at the date of death. For the purposes of
 18 this subsection, the minimum formula annuity earned and
 19 accrued to the credit of the employee is equal to 2.40% for
 20 each year of service of the highest average annual salary for
 21 any 4 consecutive years within the last 10 years of service
 22 immediately preceding the date of death, up to a maximum of
 23 80% of the highest average annual salary. This annuity shall
 24 not be reduced due to the age of the employee or spouse. In
 25 addition to any other eligibility requirements under this
 26 Article, the spouse is eligible for this annuity only if the
 27 marriage was in effect for 10 full years or more.

28 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
 29 90-766, eff. 8-14-98.)

30 (40 ILCS 5/8-158) (from Ch. 108 1/2, par. 8-158)
 31 Sec. 8-158. Child's annuity. A child's annuity is
 32 payable monthly after the death of an employee parent to the
 33 child until the child's attainment of age 18, under the

1 following conditions, if the child was born before the
2 employee attained age 65, and before he withdrew from
3 service:

4 (a) ~~upon death resulting from injury incurred in~~
5 ~~the performance of an act of duty;~~

6 (b) ~~upon death in service from any cause other than~~
7 ~~injury incurred in the performance of an act of duty, if~~
8 ~~the employee has at least 4 years of service after the~~
9 ~~date of his original entry into service, and at least 2~~
10 ~~years after the date of his latest re-entry;~~

11 (b) (e) upon death of an employee who withdraws
12 from service after age 55 (or after age 50 with at least
13 30 years of service if withdrawal is on or after June 27,
14 1997) and who has entered upon or is eligible for
15 annuity.

16 Payment shall be made as provided in Section 8-125.

17 (Source: P.A. 90-31, eff. 6-27-97; 90-766, eff. 8-14-98.)

18 (40 ILCS 5/8-161) (from Ch. 108 1/2, par. 8-161)

19 Sec. 8-161. Ordinary disability benefit. An employee
20 while under age 65 and prior to January 1, 1979, or while
21 under age 70 and after January 1, 1979, who becomes disabled
22 after the effective date as the result of any cause other
23 than injury incurred in the performance of duty, shall be
24 entitled to ordinary disability benefit during such
25 disability, after the first 30 days thereof.

26 The first payment shall be made not later than one month
27 after the benefit is granted and each subsequent payment
28 shall be made not later than one month after the last
29 preceding payment.

30 The disability benefit prescribed herein shall cease when
31 the first of the following dates shall occur and the
32 employee, if still disabled, shall thereafter be entitled to
33 such annuity as is otherwise provided in this Article:

1 (a) the date disability ceases.

2 (b) the date the disabled employee attains age 65 for
3 disability commencing prior to January 1, 1979.

4 (c) the date the disabled employee attains age 65 for
5 disability commencing prior to attainment of age 60 in the
6 service and after January 1, 1979.

7 (d) the date the disabled employee attains the age of 70
8 for disability commencing after attainment of age 60 in the
9 service and after January 1, 1979.

10 (e) the date the payments of the benefit shall exceed in
11 the aggregate, throughout the employee's service, a period
12 equal to 1/4 of the total service rendered prior to the date
13 of disability but in no event more than 5 years. In
14 computing such total service any period during which the
15 employee received ordinary disability benefit shall be
16 excluded.

17 Any employee whose ordinary disability benefit was
18 terminated after January 1, 1979 by reason of his attainment
19 of age 65 and who continues disabled after age 65 may elect
20 before July 1, 1986 to have such benefits resumed beginning
21 at the time of such termination and continuing until
22 termination is required under this Section as amended by this
23 amendatory Act of 1985. The amount payable to any employee
24 for such resumed benefit for any period shall be reduced by
25 the amount of any retirement annuity paid to such employee
26 under this Article for the same period of time or by any
27 refund paid in lieu of annuity.

28 Ordinary disability benefit shall be 50% of the
29 employee's salary at the date of disability.

30 For ordinary disability benefits paid before January 1,
31 2001, before any payment, an amount equal to less the sum
32 ordinarily deducted from salary for all annuity purposes for
33 such period for which the ordinary disability benefit is made
34 shall be deducted from such payment and credited to the

1 employee as a deduction from salary for that period. The
2 sums so deducted shall be-credited-to-the-employee-and-shall
3 be regarded, for annuity and refund purposes, as an amount
4 contributed by him.

5 For ordinary disability benefits paid on or after January
6 1, 2001, the fund shall credit sums equal to the amounts
7 ordinarily contributed by an employee for annuity purposes
8 for any period during which the employee receives ordinary
9 disability, and those sums shall be deemed for annuity
10 purposes and purposes of Section 8-173 as amounts contributed
11 by the employee. These amounts credited for annuity purposes
12 shall not be credited for refund purposes.

13 If a participating employee is eligible for a disability
14 benefit under the federal Social Security Act, the amount of
15 ordinary disability benefit under this Section attributable
16 to employment with the Chicago Housing Authority or the
17 Public Building Commission of the city shall be reduced, but
18 not to less than \$10 per month, by the amount that the
19 employee would be eligible to receive as a disability benefit
20 under the federal Social Security Act, whether or not that
21 federal benefit is based on service as a covered employee
22 under this Article. The reduction shall be effective as of
23 the month the employee is eligible for the social security
24 disability benefit. The Board may make this reduction
25 pending determination of eligibility for the social security
26 disability benefit, if it appears to the Board that the
27 employee may be eligible, and make an appropriate adjustment
28 if necessary after eligibility for the social security
29 disability benefit is determined. If the employee's social
30 security disability benefit is reduced or terminated because
31 of a refusal to accept rehabilitation services under the
32 federal Rehabilitation Act of 1973 or the federal Social
33 Security Act or because the employee is receiving a workers'
34 compensation benefit, the ordinary disability benefit under

1 this Section shall be reduced as if the employee were
2 receiving the full social security disability benefit.

3 The amount of ordinary disability benefit shall not be
4 reduced by reason of any increase in the amount of social
5 security disability benefit that takes effect after the month
6 of the initial reduction under this Section, other than an
7 increase resulting from a correction in the employee's wage
8 records.

9 (Source: P.A. 84-23.)

10 (40 ILCS 5/8-167) (from Ch. 108 1/2, par. 8-167)
11 Sec. 8-167. Restoration of rights.

12 (1) An employee who has withdrawn as a refund the
13 amounts credited for annuity purposes, and who re-enters
14 service and serves for periods comprising at least 2 years
15 after the date of the last refund paid to him, shall have his
16 annuity rights restored by compliance with the following
17 provisions:

18 (a) after such 2 year period, he shall repay to the
19 Fund, while in service, in full all refunds received,
20 together with interest at the effective rate from the
21 dates of refund to the date of repayment; or

22 (b) if payment is not made in a single sum, the
23 repayment may be made in installments by deductions from
24 salary or otherwise in such amounts and manner as the
25 board, by rule, may prescribe, with interest at the
26 effective rate accruing on unpaid balances; or

27 (c) if the employee withdraws from service or dies
28 in service before full repayment is made, such rights
29 shall not be restored, but the amount, including
30 interest, repaid by him, but without any further interest
31 otherwise normally credited, shall be refunded to him or
32 to his widow, or in the manner provided by the refund
33 provisions of this Article if no widow survives.

1 (2) A person who is employed full-time by a local labor
2 organization that represents municipal employees and has
3 withdrawn as a refund the amounts credited for annuity
4 purposes may elect to have his or her annuity rights restored
5 by repaying to the Fund in full all refunds received,
6 together with interest at the effective rate from the date of
7 the refund to the date of repayment. Repayment of a refund
8 under this subsection (2) does not require a return to
9 service, and this subsection applies without regard to
10 whether the person is in service on or after the effective
11 date of this amendatory Act of the 92nd General Assembly.

12 (3) This Section applies also to any person who received
13 a refund from any annuity and benefit fund or pension fund
14 which was merged into and superseded by the annuity and
15 benefit fund provided for in this Article on or after
16 December 31, 1959. Upon repayment such person shall receive
17 credit for all annuity purposes in the annuity and benefit
18 fund provided for in this Article for the period of service
19 covered by such refund.

20 (4) The amount of refund repayment is considered as
21 salary deductions for age and service annuity and widow's
22 annuity purposes in the case of a male person. In the latter
23 case the amount of refund repayment is allocated in the
24 applicable proportion for age and service and widow's annuity
25 purposes. Such person shall also be credited with city
26 contributions for age and service annuity, and widow's
27 annuity if a male employee, in the amount which would have
28 been credited and accrued if such person had been a
29 participant in and contributor to the annuity and benefit
30 fund provided for in this Article during the period of such
31 service on the basis of his salary during such period.

32 (Source: P.A. 81-1536.)

33 (40 ILCS 5/8-168) (from Ch. 108 1/2, par. 8-168)

1 Sec. 8-168. Refunds - Withdrawal before age 55 or with
2 less than 10 years of service.

3 1. An employee, without regard to length of service, who
4 withdraws before age 55, and any employee with less than 10
5 years of service who withdraws before age 60, shall be
6 entitled to a refund of the accumulated sums to his credit,
7 as of the date of withdrawal, for age and service annuity and
8 widow's annuity from amounts contributed by him, including
9 interest credited and including amounts contributed for him
10 for age and service and widow's annuity purposes by the city
11 while receiving duty disability benefits; provided that such
12 amounts contributed by the city after December 31, 1981,
13 while the employee is receiving duty disability benefits, and
14 amounts credited to the employee for annuity purposes by the
15 fund after December 31, 2000, while the employee is receiving
16 ordinary disability benefits, shall not be credited for
17 refund purposes. If he is a present employee he shall also be
18 entitled to a refund of the accumulations from any sums
19 contributed by him, and applied to any municipal pension fund
20 superseded by this fund.

21 2. Upon receipt of the refund, the employee surrenders
22 and forfeits all rights to any annuity or other benefits, for
23 himself and for any other persons who might have benefited
24 through him; provided that he may have such period of service
25 counted in computing the term of his service if he becomes an
26 employee before age 65, excepting as limited by the
27 provisions of paragraph (a) (3) of Section 8-232 of this
28 Article relating to the basis of computing the term of
29 service.

30 3. Any such employee shall retain such right to a refund
31 of such amounts when he shall apply for same until he
32 re-enters the service or until the amount of annuity shall
33 have been fixed as provided in this Article. Thereafter, no
34 such right shall exist in the case of any such employee.

1 4. Any such municipal employee who shall have served 10
2 or more years and who shall not withdraw the amounts
3 aforesaid to which he shall have a right of refund shall have
4 a right to annuity as stated in this Article.

5 5. Any such municipal employee who shall have served
6 less than 10 years and who shall not withdraw the amounts to
7 which he shall have a right to refund shall have a right to
8 have all such amounts and all other amounts to his credit for
9 annuity purposes on date of his withdrawal from service
10 retained to his credit and improved by interest while he
11 shall be out of the service at the rate of 3 1/2% or 3% per
12 annum (whichever rate shall apply under the provisions of
13 Section 8-155 of this Article) and used for annuity purposes
14 for his benefit and the benefit of any person who may have
15 any right to annuity through him because of his service,
16 according to the provisions of this Article in the event that
17 he shall subsequently re-enter the service and complete the
18 number of years of service necessary to attain a right to
19 annuity; but such sum shall be improved by interest to his
20 credit while he shall be out of the service only until he
21 shall have become 65 years of age.

22 (Source: P.A. 82-283.)

23 (40 ILCS 5/8-171) (from Ch. 108 1/2, par. 8-171)

24 Sec. 8-171. Refund in lieu of annuity. In lieu of an
25 annuity, an employee who withdraws and whose annuity would
26 amount to less than \$800 a month for life, may elect to
27 receive a refund of his accumulated contributions for annuity
28 purposes, based on the amounts contributed by him.

29 The widow of any employee, eligible for annuity upon the
30 death of her husband, whose widow's annuity would amount to
31 less than \$800 a month for life, may, in lieu of widow's
32 annuity, elect to receive a refund of the accumulated
33 contributions for annuity purposes, based on the amounts

1 contributed by her deceased employee husband, but reduced by
2 any amounts theretofore paid to him in the form of an annuity
3 or refund out of such accumulated contributions.

4 Accumulated contributions shall mean the amounts -
5 including the interest credited thereon - contributed by the
6 employee for age and service and widow's annuity to the date
7 of his withdrawal or death, whichever first occurs, including
8 any amounts contributed for him as salary deductions while
9 receiving duty disability benefits, and, if not otherwise
10 included, any accumulations from sums contributed by him and
11 applied to any pension fund superseded by this fund; provided
12 that such amounts contributed by the city after December 31,
13 1981 while the employee is receiving duty disability benefits
14 and amounts credited to the employee for annuity purposes by
15 the fund after December 31, 2000 while the employee is
16 receiving ordinary disability shall not be included.

17 The acceptance of such refund in lieu of widow's annuity,
18 on the part of a widow, shall not deprive a child or children
19 of the right to receive a child's annuity as provided for in
20 Sections 8-158 and 8-159 of this Article, and neither shall
21 the payment of a child's annuity in the case of such refund
22 to a widow reduce the amount herein set forth as refundable
23 to such widow electing a refund in lieu of widow's annuity.

24 (Source: P.A. 91-887, eff. 7-6-00.)

25 (40 ILCS 5/8-226.7 new)

26 Sec. 8-226.7. Transfer to Metropolitan Pier and
27 Exposition Authority pension plan.

28 (a) Until July 1, 2002, any member of the management
29 committee of the Metropolitan Pier and Exposition Authority,
30 as designated by the chief executive officer of the
31 Authority, regardless of whether the member is in service
32 under this Article on or after the effective date of this
33 Section, may apply to the Board for transfer of all of his or

1 her creditable service accumulated under this Fund to the
 2 pension plan established for employees and officers of the
 3 Metropolitan Pier and Exposition Authority. The creditable
 4 service shall be transferred in accordance with the terms of
 5 that plan and shall be accompanied by a payment from this
 6 Fund to that pension plan, consisting of:

7 (1) the amounts accumulated to the credit of the
 8 applicant for the service to be transferred, including
 9 interest, on the books of the Fund on the date of
 10 transfer, but excluding any additional or optional
 11 credits, which shall be refunded to the applicant; plus

12 (2) municipality credits computed and credited
 13 under this Article, including interest, on the books of
 14 the Fund on the date the applicant terminated service
 15 under the Fund.

16 Participation in this Fund as to the credits transferred
 17 under this Section terminates on the date of transfer.

18 (b) For the purpose of transferring credit under this
 19 Section, a person may reinstate credits and creditable
 20 service terminated upon receipt of a refund, by paying to the
 21 Fund, before July 1, 2002, the amount of the refund plus
 22 regular interest from the date of the refund to the date of
 23 repayment.

24 (40 ILCS 5/8-227) (from Ch. 108 1/2, par. 8-227)

25 Sec. 8-227. Service as police officer, firefighter or
 26 teacher.

27 (a) Service rendered by an employee as a police officer
 28 and member of the regularly constituted police department of
 29 the city, or as a firefighter and regular member of the paid
 30 fire department of the city, or as a teacher in the public
 31 school system in the city shall be counted, for the purposes
 32 of this Article, as service rendered as an employee of the
 33 city. Salary received for any such service shall be treated,

1 for the purposes of this Article, as salary received for the
2 performance of duty as an employee.

3 (b) Subsection (a) applies ~~The--foregoing--provisions~~
4 ~~shall-apply~~ to service rendered after the effective date only
5 if the employee pays to the Fund, prior to his separation
6 from service, an amount equal to what would have accumulated
7 in his or her account from salary deductions as employee
8 contributions, including interest at the effective rate, if
9 such contributions had been made for age and service and
10 spouse's annuity during all of such service; provided, that
11 no service shall be counted or payments received for any
12 period of service for which the employee retains or has not
13 forfeited his or her rights to credit for the same period of
14 service in another annuity and benefit fund, or pension fund,
15 in operation in the city for the benefit of such police
16 officers, firefighters, or teachers. The amount transferred
17 to the Fund under item (1) of Section 5-233.1, if any, shall
18 be credited against the contributions required under this
19 subsection.

20 (Source: P.A. 81-1536.)

21 (40 ILCS 5/8-230.1) (from Ch. 108 1/2, par. 8-230.1)
22 Sec. 8-230.1. Right of employees to contribute for
23 certain other service. Any employee in the service, after
24 having made contributions covering a period of 10 or more
25 years to the annuity and benefit fund herein provided for,
26 may elect to pay for and receive credit for all annuity
27 purposes for service theretofore rendered by the employee to
28 the Chicago Transit Authority created by the Metropolitan
29 Transit Authority Act or its predecessor public utilities;
30 provided that the last 5 years of service prior to retirement
31 on annuity shall have been as an employee of the City and a
32 contributor to this Fund. Such service credit may be paid
33 for and granted on the same basis and conditions as are

1 applicable in the case of employees who make payment for past
 2 service under the provisions of Section 8-230, but on the
 3 assumption that the employee's salary throughout all of his
 4 or her service with the Authority or its predecessor public
 5 utilities was at the rate of the employee's salary at the
 6 date of his or her entrance into the service as a municipal
 7 employee. In no event, however, shall such service be
 8 credited if the employee has not forfeited and relinquished
 9 pension credit for service covering such period under any
 10 pension or retirement plan applicable to the Authority or its
 11 predecessor public utilities and instituted and maintained by
 12 the Authority or its predecessor public utilities for the
 13 benefit of its employees.

14 If the application to establish credit under this Section
 15 is received by the Fund on or after the effective date of
 16 this amendatory Act of the 92nd General Assembly and before
 17 July 1, 2002, the employee need not pay any interest on the
 18 employee contributions required to establish credit for
 19 service rendered by the employee to the Chicago Transit
 20 Authority during the period July 1, 1974 through August 31,
 21 1978. This amendatory Act does not entitle any person to a
 22 refund of contributions already paid for credit previously
 23 established under this Section.

24 (Source: P.A. 90-655, eff. 7-30-98.)

25 (40 ILCS 5/8-230.7)

26 Sec. 8-230.7. Service rendered to Public Building
 27 Commission.

28 (a) An employee or former employee of the Public
 29 Building Commission of the city who has established credit
 30 under the Fund with regard to service to an employer other
 31 than the Public Building Commission of the city may
 32 contribute to the Fund and receive credit for all periods of
 33 full-time employment with by the Public Building Commission

1 created by the employing city occurring prior to 60 days
2 after the effective date of this amendatory Act, except for
3 those periods for which the employee retains a right to
4 credit in another public pension fund or retirement system
5 established under this Code. Such service credit shall be
6 paid for and granted on the same basis and under the same
7 conditions as are applicable in the case of employees who
8 make payment for past service under Section 8-230, provided
9 that the person must also pay the corresponding employer
10 contributions, and further provided that the contributions
11 and service credit are permitted under Section 415 of the
12 Internal Revenue Code of 1986. The contributions shall be
13 based on the salary actually received by the person from the
14 Commission for that employment.

15 (b) A person establishing service credit under
16 subsection (a) or electing to participate in the Fund under
17 subsection (d) may, at the same time, reinstate service
18 credit that was terminated through receipt of a refund by
19 repaying to the Fund the amount of the refund plus interest
20 at the effective rate from the date of the refund to the date
21 of repayment.

22 (c) An eligible person may establish service credit
23 under subsection (a) and reinstate service credit under
24 subsection (b) without returning to active service as an
25 employee under this Article, but the required contributions
26 and repayment must be received by the Fund before the person
27 begins to receive a retirement annuity under this Article.

28 (d) Within 60 days after beginning full-time employment
29 with the Public Building Commission of the city (or within 60
30 days after the effective date of this amendatory Act of the
31 92nd General Assembly, whichever is later), a person having
32 service credits in this Fund or reinstating service credits
33 under subsection (b) may elect to participate in this Fund
34 with respect to that Public Building Commission employment.

1 An employee who participates in this Fund with respect to
2 Public Building Commission employment shall not, with respect
3 to the same period of employment, participate in any other
4 pension plan for employees of the Commission for which
5 contributions are made by the Commission, except that this
6 provision shall not prevent an employee from making elective
7 contributions to a plan of deferred compensation during that
8 period. An election under this subsection (d), once made, is
9 irrevocable.

10 Participation under this subsection shall be on the same
11 basis and under the same conditions as are applicable in the
12 case of participating employees of the city. Employee
13 contributions shall be based on the salary actually received
14 by the employee for that employment. Employer contributions
15 shall be paid by the Public Building Commission rather than
16 the city, at a rate to be determined by the Retirement Board.

17 (Source: P.A. 90-766, eff. 8-14-98.)

18 (40 ILCS 5/8-230.9 new)

19 Sec. 8-230.9. Service rendered to Chicago Housing
20 Authority.

21 (a) Within 60 days after beginning full-time employment
22 with the Chicago Housing Authority (or within 60 days after
23 the effective date of this amendatory Act of the 92nd General
24 Assembly, whichever is later), a person having service
25 credits in this Fund or reinstating service credits under
26 subsection (c) may elect to participate in this Fund with
27 respect to that Chicago Housing Authority employment. An
28 employee who participates in this Fund with respect to
29 Chicago Housing Authority employment shall not, with respect
30 to the same period of employment, participate in any other
31 pension plan for employees of the Authority for which
32 contributions are made by the Authority, except that this
33 provision shall not prevent an employee from making elective

1 contributions to a plan of deferred compensation during that
2 period. An election under this subsection (a), once made, is
3 irrevocable.

4 Participation under this subsection shall be on the same
5 basis and under the same conditions as are applicable in the
6 case of participating employees of the city. Employee
7 contributions shall be based on the salary actually received
8 by the employee for that employment. Employer contributions
9 shall be paid by the Chicago Housing Authority rather than
10 the city, at a rate to be determined by the Retirement Board.

11 (b) An employee or former employee of the Chicago
12 Housing Authority who has established credit under the Fund
13 with regard to service to an employer other than the Chicago
14 Housing Authority may contribute to the Fund and receive
15 credit for all periods of full-time employment with the
16 Chicago Housing Authority occurring prior to 60 days after
17 the effective date of this amendatory Act, except for those
18 periods for which the employee retains a right to credit in
19 another public pension fund or retirement system established
20 under this Code. Such service credit shall be paid for and
21 granted on the same basis and under the same conditions as
22 are applicable in the case of employees who make payment for
23 past service under Section 8-230, provided that the person
24 must also pay the corresponding employer contributions, and
25 further provided that the contributions and service credit
26 are permitted under Section 415 of the Internal Revenue Code
27 of 1986. The contributions shall be based on the salary
28 actually received by the person from the Authority for that
29 employment.

30 (c) A person establishing service credit under
31 subsection (b) or electing to participate in the Fund under
32 subsection (a) may, at the same time, reinstate service
33 credit that was terminated through receipt of a refund by
34 repaying to the Fund the amount of the refund plus interest

1 at the effective rate from the date of the refund to the date
2 of repayment.

3 (d) An eligible person may establish service credit
4 under subsection (b) and reinstate service credit under
5 subsection (c) without returning to active service as an
6 employee under this Article, but the required contributions
7 and repayment must be received by the Fund before the person
8 begins to receive a retirement annuity under this Article.

9 (40 ILCS 5/8-230.10 new)

10 Sec. 8-230.10. Service rendered to IHDA. An employee
11 with at least 10 years of creditable service in the Fund may
12 establish service credit for up to 7 years of full-time
13 employment by the Illinois Housing Development Authority for
14 which the employee does not have credit in another public
15 pension fund or retirement system.

16 To establish service credit under this Section, the
17 employee must apply to the Fund in writing by July 1, 2002
18 and pay to the Fund, at any time before beginning to receive
19 a retirement annuity under this Article, an amount to be
20 determined by the Fund, consisting of (i) employee
21 contributions based on the salary actually received by the
22 person from the Illinois Housing Development Authority for
23 that employment and the contribution rates then in effect for
24 employees of the Fund, (ii) the corresponding employer
25 contributions, and (iii) regular interest on the amounts in
26 items (i) and (ii) from the date of the service to the date
27 of payment.

28 (40 ILCS 5/8-243.2) (from Ch. 108 1/2, par. 8-243.2)

29 Sec. 8-243.2. Alternative annuity for city officers.

30 (a) For the purposes of this Section and Sections
31 8-243.1 and 8-243.3, "city officer" means the city clerk, the
32 city treasurer, or an alderman of the city elected by vote of

1 the people, while serving in that capacity or as provided in
2 subsection (f), who has elected to participate in the Fund.

3 (b) Any elected city officer, while serving in that
4 capacity or as provided in subsection (f), may elect to
5 establish alternative credits for an alternative annuity by
6 electing in writing to make additional optional
7 contributions in accordance with this Section and the
8 procedures established by the board. Such elected city
9 officer may discontinue making the additional optional
10 contributions by notifying the Fund in writing in accordance
11 with this Section and procedures established by the board.

12 Additional optional contributions for the alternative
13 annuity shall be as follows:

14 (1) For service after the option is elected, an
15 additional contribution of 3% of salary shall be
16 contributed to the Fund on the same basis and under the
17 same conditions as contributions required under Sections
18 8-174 and 8-182.

19 (2) For service before the option is elected, an
20 additional contribution of 3% of the salary for the
21 applicable period of service, plus interest at the
22 effective rate from the date of service to the date of
23 payment. All payments for past service must be paid in
24 full before credit is given. No additional optional
25 contributions may be made for any period of service for
26 which credit has been previously forfeited by acceptance
27 of a refund, unless the refund is repaid in full with
28 interest at the effective rate from the date of refund to
29 the date of repayment.

30 (c) In lieu of the retirement annuity otherwise payable
31 under this Article, any city officer elected by vote of the
32 people who (1) has elected to participate in the Fund and
33 make additional optional contributions in accordance with
34 this Section, and (2) has attained age 55 60 with at least 10

1 years of service credit, or has attained age 60 65 with at
2 least 8 years of service credit, may elect to have his
3 retirement annuity computed as follows: 3% of the
4 participant's salary at the time of termination of service
5 for each of the first 8 years of service credit, plus 4% of
6 such salary for each of the next 4 years of service credit,
7 plus 5% of such salary for each year of service credit in
8 excess of 12 years, subject to a maximum of 80% of such
9 salary. To the extent such elected city officer has made
10 additional optional contributions with respect to only a
11 portion of his years of service credit, his retirement
12 annuity will first be determined in accordance with this
13 Section to the extent such additional optional contributions
14 were made, and then in accordance with the remaining Sections
15 of this Article to the extent of years of service credit with
16 respect to which additional optional contributions were not
17 made.

18 (d) In lieu of the disability benefits otherwise payable
19 under this Article, any city officer elected by vote of the
20 people who (1) has elected to participate in the Fund, and
21 (2) has become permanently disabled and as a consequence is
22 unable to perform the duties of his office, and (3) was
23 making optional contributions in accordance with this Section
24 at the time the disability was incurred, may elect to receive
25 a disability annuity calculated in accordance with the
26 formula in subsection (c). For the purposes of this
27 subsection, such elected city officer shall be considered
28 permanently disabled only if: (i) disability occurs while in
29 service as an elected city officer and is of such a nature as
30 to prevent him from reasonably performing the duties of his
31 office at the time; and (ii) the board has received a written
32 certification by at least 2 licensed physicians appointed by
33 it stating that such officer is disabled and that the
34 disability is likely to be permanent.

1 (e) Refunds of additional optional contributions shall
 2 be made on the same basis and under the same conditions as
 3 provided under Sections 8-168, 8-170 and 8-171. Interest
 4 shall be credited at the effective rate on the same basis and
 5 under the same conditions as for other contributions.
 6 Optional contributions shall be accounted for in a separate
 7 Elected City Officer Optional Contribution Reserve. Optional
 8 contributions under this Section shall be included in the
 9 amount of employee contributions used to compute the tax levy
 10 under Section 8-173.

11 (f) The effective date of this plan of optional
 12 alternative benefits and contributions shall be July 1, 1990,
 13 or the date upon which approval is received from the U.S.
 14 Internal Revenue Service, whichever is later.

15 The plan of optional alternative benefits and
 16 contributions shall not be available to any former city
 17 officer or employee receiving an annuity from the Fund on the
 18 effective date of the plan, unless he re-enters service as an
 19 elected city officer and renders at least 3 years of
 20 additional service after the date of re-entry. However, a
 21 person who holds office as a city officer on June 1, 1995
 22 ~~April--307--1991~~ may elect to participate in the plan, to
 23 transfer credits into the Fund from other Articles of this
 24 Code, and to make the contributions required for prior
 25 service, until 30 days after the effective date of this
 26 amendatory Act of the 92nd General Assembly ~~the-plan-takes~~
 27 ~~effect~~, notwithstanding the ending of his term of office
 28 prior to that effective date; in the event that the person is
 29 already receiving an annuity from this Fund or any other
 30 Article of this Code at the time of making this election, the
 31 annuity shall be recalculated to include any increase
 32 resulting from participation in the plan, with such increase
 33 taking effect on the effective date of the election plan.

34 (Source: P.A. 86-1488; 87-794.)

1 (40 ILCS 5/9-121.6) (from Ch. 108 1/2, par. 9-121.6)
2 Sec. 9-121.6. Alternative annuity for county officers.

3 (a) Any county officer elected by vote of the people may
4 elect to establish alternative credits for an alternative
5 annuity by electing in writing to make additional optional
6 contributions in accordance with this Section and procedures
7 established by the board. Such elected county officer may
8 discontinue making the additional optional contributions by
9 notifying the Fund in writing in accordance with this Section
10 and procedures established by the board.

11 Additional optional contributions for the alternative
12 annuity shall be as follows:

13 (1) For service after the option is elected, an
14 additional contribution of 3% of salary shall be contributed
15 to the Fund on the same basis and under the same conditions
16 as contributions required under Sections 9-170 and 9-176.

17 (2) For service before the option is elected, an
18 additional contribution of 3% of the salary for the
19 applicable period of service, plus interest at the effective
20 rate from the date of service to the date of payment. All
21 payments for past service must be paid in full before credit
22 is given. No additional optional contributions may be made
23 for any period of service for which credit has been
24 previously forfeited by acceptance of a refund, unless the
25 refund is repaid in full with interest at the effective rate
26 from the date of refund to the date of repayment.

27 (b) In lieu of the retirement annuity otherwise payable
28 under this Article, any county officer elected by vote of the
29 people who ~~(1)~~ has elected to participate in the Fund and
30 make additional optional contributions in accordance with
31 this Section, and withdraws from service either (1) before
32 November 30, 2000 having ~~(2)~~-has attained age 60 with at
33 least 10 years of service credit, or has-attained age 65 with
34 at least 8 years of service credit or (2) on or after

1 November 30, 2000 having attained age 55 with at least 10
2 years of service credit or age 60 with at least 8 years of
3 service credit, may elect to have his retirement annuity
4 computed as follows: 3% of the participant's salary at the
5 time of termination of service for each of the first 8 years
6 of service credit, plus 4% of such salary for each of the
7 next 4 years of service credit, plus 5% of such salary for
8 each year of service credit in excess of 12 years, subject to
9 a maximum of 80% of such salary. To the extent such elected
10 county officer has made additional optional contributions
11 with respect to only a portion of his years of service
12 credit, his retirement annuity will first be determined in
13 accordance with this Section to the extent such additional
14 optional contributions were made, and then in accordance with
15 the remaining Sections of this Article to the extent of years
16 of service credit with respect to which additional optional
17 contributions were not made.

18 (c) In lieu of the disability benefits otherwise payable
19 under this Article, any county officer elected by vote of the
20 people who (1) has elected to participate in the Fund, and
21 (2) has become permanently disabled and as a consequence is
22 unable to perform the duties of his office, and (3) was
23 making optional contributions in accordance with this Section
24 at the time the disability was incurred, may elect to receive
25 a disability annuity calculated in accordance with the
26 formula in subsection (b). For the purposes of this
27 subsection, such elected county officer shall be considered
28 permanently disabled only if: (i) disability occurs while in
29 service as an elected county officer and is of such a nature
30 as to prevent him from reasonably performing the duties of
31 his office at the time; and (ii) the board has received a
32 written certification by at least 2 licensed physicians
33 appointed by it stating that such officer is disabled and
34 that the disability is likely to be permanent.

1 (d) Refunds of additional optional contributions shall
 2 be made on the same basis and under the same conditions as
 3 provided under Section 9-164, 9-166 and 9-167. Interest shall
 4 be credited at the effective rate on the same basis and under
 5 the same conditions as for other contributions. Optional
 6 contributions shall be accounted for in a separate Elected
 7 County Officer Optional Contribution Reserve. Optional
 8 contributions under this Section shall be included in the
 9 amount of employee contributions used to compute the tax levy
 10 under Section 9-169.

11 (e) The effective date of this plan of optional
 12 alternative benefits and contributions shall be January 1,
 13 1988, or the date upon which approval is received from the
 14 U.S. Internal Revenue Service, whichever is later. The plan
 15 of optional alternative benefits and contributions shall not
 16 be available to any former county officer or employee
 17 receiving an annuity from the Fund on the effective date of
 18 the plan, unless he re-enters service as an elected county
 19 officer and renders at least 3 years of additional service
 20 after the date of re-entry.

21 (Source: P.A. 85-964.)

22 (40 ILCS 5/9-121.10) (from Ch. 108 1/2, par. 9-121.10)
 23 Sec. 9-121.10. Transfer to Article 14.

24 (a) ~~Until--July--17--1993,~~ Any active member of the State
 25 Employees' Retirement System who is employed in a position
 26 for which he or she earns eligible creditable service as
 27 defined in Section 14-110 of this Code a-State-policeman may
 28 apply for transfer of some or all of his or her creditable
 29 service as a member of the County Police Department
 30 accumulated under this Article to the State Employees'
 31 Retirement System in accordance with Section 14-110. At the
 32 time of the transfer the Fund shall pay to the State
 33 Employees' Retirement System an amount equal to:

1 (1) the amounts accumulated to the credit of the
2 applicant on the books of the Fund on the date of
3 transfer for the service to be transferred; and

4 (2) the corresponding municipality credits,
5 including interest, on the books of the Fund on the date
6 of transfer; and

7 (3) any interest paid by the applicant in order to
8 reinstate such service.

9 Participation in this Fund with respect to the credits
10 transferred shall terminate on the date of transfer.

11 (b) ~~Until--July-17-1993,~~ Any person transferring service
12 under subsection (a) such--State--policeman may reinstate
13 credit for service as a member of the County Police
14 Department that was terminated by receipt of a refund, by
15 paying to the Fund the amount of the refund with interest
16 thereon at the rate of 6% per year, compounded annually, from
17 the date of refund to the date of payment.

18 (Source: P.A. 87-1265.)

19 (40 ILCS 5/9-121.14 new)

20 Sec. 9-121.14. Benefit processors. An employee with at
21 least 5 years of creditable service under this Article may
22 purchase service credit for annuity purposes for up to 5
23 years of time spent working as a benefits processor for a
24 firm under contract with the Fund, by paying to the Fund
25 before July 1, 2002 an amount equal to 8.5% of the salary
26 received for that work or, if that salary is not
27 determinable, 8.5% of the employee's annual salary rate on
28 the first day of service in the Fund for each year of service
29 credit established under this Section. The employee may not
30 make optional contributions under Section 9-121.6 or 9-179.3
31 for periods of credit established under this Section.

32 (40 ILCS 5/9-121.15)

1 Sec. 9-121.15. Transfer of credit from Article 14 system.
 2 A current or former An employee shall be entitled to service
 3 credit in the Fund for any creditable service transferred to
 4 this Fund from the State Employees' Retirement System under
 5 Section 14-105.7 of this Code. Credit under this Fund shall
 6 be granted upon receipt by the Fund of the amounts required
 7 to be transferred under Section 14-105.7; no additional
 8 contribution is necessary.

9 (Source: P.A. 90-511, eff. 8-22-97.)

10 (40 ILCS 5/9-121.16 new)

11 Sec. 9-121.16. Contractual service to the Retirement
 12 Board. A person who has rendered continuous contractual
 13 services (other than legal services) to the Retirement Board
 14 for a period of at least 5 years may establish creditable
 15 service in the Fund for up to 10 years of those services by
 16 making written application to the Board before July 1, 2002
 17 and paying to the Fund an amount to be determined by the
 18 Board, equal to the employee contributions that would have
 19 been required if those services had been performed as an
 20 employee.

21 For the purposes of calculating the required payment, the
 22 Board may determine the applicable salary equivalent based on
 23 the compensation received by the person for performing those
 24 contractual services. The salary equivalent calculated under
 25 this Section shall not be used for determining final average
 26 salary under Section 9-134 or any other provisions of this
 27 Code.

28 A person may not make optional contributions under
 29 Section 9-121.6 or 9-179.3 for periods of credit established
 30 under this Section.

31 (40 ILCS 5/9-121.17 new)

32 Sec. 9-121.17. Transfer to Metropolitan Pier and

1 Exposition Authority pension plan.

2 (a) Until July 1, 2002, any member of the management
3 committee of the Metropolitan Pier and Exposition Authority,
4 as designated by the chief executive officer of the
5 Authority, regardless of whether the member is in service
6 under this Article on or after the effective date of this
7 Section, may apply to the Board for transfer of all of his or
8 her creditable service accumulated under this Fund to the
9 pension plan established for employees and officers of the
10 Metropolitan Pier and Exposition Authority. The creditable
11 service shall be transferred in accordance with the terms of
12 that plan and shall be accompanied by a payment from this
13 Fund to that pension plan, consisting of:

14 (1) the amounts accumulated to the credit of the
15 applicant for the service to be transferred, including
16 interest, on the books of the Fund on the date of
17 transfer, but excluding any additional or optional
18 credits, which shall be refunded to the applicant; plus

19 (2) the corresponding employer credits computed and
20 credited under this Article, including interest, on the
21 books of the Fund on the date the applicant terminated
22 service under the Fund.

23 Participation in this Fund as to the credits transferred
24 under this Section terminates on the date of transfer.

25 (b) For the purpose of transferring credit under this
26 Section, a person may reinstate credits and creditable
27 service terminated upon receipt of a refund, by paying to the
28 Fund, before July 1, 2002, the amount of the refund plus
29 regular interest from the date of the refund to the date of
30 repayment.

31 (40 ILCS 5/9-134) (from Ch. 108 1/2, par. 9-134)
32 Sec. 9-134. Minimum annuity - Additional provisions.

33 (a) An employee who withdraws after July 1, 1957 at age

1 60 or more with 20 or more years of service, for whom the
2 amount of age and service and prior service annuity combined
3 is less than the amount stated in this Section from the date
4 of withdrawal, instead of all annuities otherwise provided in
5 this Article, is entitled to receive an annuity for life of
6 an amount equal to 1 2/3% for each year of service, of his
7 highest average annual salary for any 5 consecutive years
8 within the last 10 years of service immediately preceding the
9 date of withdrawal; provided that in the case of any employee
10 who withdraws on or after July 1, 1971, such employee age 60
11 or over with 20 or more years of service, or who withdraws on
12 or after January 1, 1982 and on or after attainment of age 65
13 with 10 or more years of service, shall instead receive an
14 annuity for life equal to 1.67% for each of the first 10
15 years of service; 1.90% for each of the next 10 years of
16 service; 2.10% for each year of service in excess of 20 but
17 not exceeding 30; and 2.30% for each year of service in
18 excess of 30, based on the highest average annual salary for
19 any 4 consecutive years within the last 10 years of service
20 immediately preceding the date of withdrawal.

21 An employee who withdraws after July 1, 1957, but prior
22 to January 1, 1988, with 20 or more years of service, before
23 age 60 is entitled to annuity, to begin not earlier than age
24 55, if under such age at withdrawal, as computed in the last
25 preceding paragraph, reduced 1/2 of 1% for each full month or
26 fractional part thereof that his attained age when annuity is
27 to begin is less than 60 to the end that the total reduction
28 at age 55 shall be 30%, except that an employee retiring at
29 age 55 or over but less than age 60, having at least 35 years
30 of service, shall not be subject to the reduction in his
31 retirement annuity because of retirement below age 60.

32 An employee who withdraws on or after January 1, 1988,
33 with 20 or more years of service and before age 60, is
34 entitled to annuity as computed above, to begin not earlier

1 than age 50 if under such age at withdrawal, reduced 1/2 of
2 1% for each full month or fractional part thereof that his
3 attained age when annuity is to begin is less than 60, to the
4 end that the total reduction at age 50 shall be 60%, except
5 that an employee retiring at age 50 or over but less than age
6 60, having at least 30 years of service, shall not be subject
7 to the reduction in retirement annuity because of retirement
8 below age 60.

9 An employee who withdraws on or after January 1, 1992 but
10 before January 1, 1993, at age 60 or over with 5 or more
11 years of service, may elect, in lieu of any other employee
12 annuity provided in this Section, to receive an annuity for
13 life equal to 2.20% for each of the first 20 years of
14 service, and 2.40% for each year of service in excess of 20,
15 based on the highest average annual salary for any 4
16 consecutive years within the last 10 years of service
17 immediately preceding the date of withdrawal. An employee
18 who withdraws on or after January 1, 1992, but before January
19 1, 1993, on or after attainment of age 55 but before
20 attainment of age 60 with 5 or more years of service, is
21 entitled to elect such annuity, but the annuity shall be
22 reduced 0.25% for each full month or fractional part thereof
23 that his attained age when the annuity is to begin is less
24 than age 60, to the end that the total reduction at age 55
25 shall be 15%, except that an employee retiring at age 55 or
26 over but less than age 60, having at least 30 years of
27 service, shall not be subject to the reduction in retirement
28 annuity because of retirement below age 60. This annuity
29 benefit formula shall only apply to those employees who are
30 age 55 or over prior to January 1, 1993, and who elect to
31 withdraw at age 55 or over on or after January 1, 1992 but
32 before January 1, 1993.

33 An employee who withdraws on or after July 1, 1996 but
34 before August 1, 1996, at age 55 or over with 8 or more years

1 of service, may elect, in lieu of any other employee annuity
2 provided in this Section, to receive an annuity for life
3 equal to 2.20% for each of the first 20 years of service, and
4 2.40% for each year of service in excess of 20, based on the
5 highest average annual salary for any 4 consecutive years
6 within the last 10 years of service immediately preceding the
7 date of withdrawal, but the annuity shall be reduced by 0.25%
8 for each full month or fractional part thereof that the
9 annuitant's attained age when the annuity is to begin is less
10 than age 60, unless the annuitant has at least 30 years of
11 service.

12 The maximum annuity under this paragraph (a) shall not
13 exceed 70% of highest average annual salary for any 5
14 consecutive years within the last 10 years of service in the
15 case of an employee who withdraws prior to July 1, 1971, and
16 75% of the highest average annual salary for any 4
17 consecutive years within the last 10 years of service
18 immediately preceding the date of withdrawal if withdrawal
19 takes place on or after July 1, 1971 and prior to January 1,
20 1988, and 80% of the highest average annual salary for any 4
21 consecutive years within the last 10 years of service
22 immediately preceding the date of withdrawal if withdrawal
23 takes place on or after January 1, 1988. Fifteen hundred
24 dollars shall be considered the minimum amount of annual
25 salary for any year, and the maximum shall be his salary as
26 defined in this Article, except that for the years before
27 1957 and subsequent to 1952 the maximum annual salary to be
28 considered shall be \$6,000, and for any year before the year
29 1953, \$4,800.

30 (b) Any employee who withdraws on or after July 1, 1985
31 but prior to January 1, 1988, at age 60 or over with 10 or
32 more years of service, may elect in lieu of the benefit in
33 paragraph (a) to receive an annuity for life equal to 2.00%
34 for each year of service, based on the highest average annual

1 salary for any 4 consecutive years within the last 10 years
2 of service immediately preceding the date of withdrawal. An
3 employee who withdraws on or after July 1, 1985, but prior to
4 January 1, 1988, with 10 or more years of service, but before
5 age 60, is entitled to elect such annuity, to begin not
6 earlier than age 55, but the annuity shall be reduced 0.5%
7 for each full month or fractional part thereof that his
8 attained age when the annuity is to begin is less than 60, to
9 the end that the total reduction at age 55 shall be 30%;
10 except that an employee retiring at age 55 or over but less
11 than age 60, having at least 30 years of service, shall not
12 be subject to the reduction in retirement annuity because of
13 retirement below age 60.

14 An employee who withdraws on or after January 1, 1988, at
15 age 60 or over with 10 or more years of service, may elect,
16 in lieu of the benefit in paragraph (a), to receive an
17 annuity for life equal to 2.20% for each of the first 20
18 years of service, and 2.4% for each year of service in excess
19 of 20, based on the highest average annual salary for any 4
20 consecutive years within the last 10 years of service
21 immediately preceding the date of withdrawal. An employee who
22 withdraws on or after January 1, 1988, with 10 or more years
23 of service, but before age 60, is entitled to elect such
24 annuity, to begin not earlier than age 50, but the annuity
25 shall be reduced 0.5% for each full month or fractional part
26 thereof that his attained age when the annuity is to begin is
27 less than 60, to the end that the total reduction at age 50
28 shall be 60%, except that an employee retiring at age 50 or
29 over but less than age 60, having at least 30 years of
30 service, shall not be subject to the reduction in retirement
31 annuity because of retirement below age 60.

32 An employee who withdraws on or after June 30, 2001 with
33 10 or more years of service may elect, in lieu of any other
34 retirement annuity provided under this Article, to receive an

1 annuity for life, beginning no earlier than upon attainment
2 of age 50, equal to 2.40% of his or her highest average
3 annual salary for any 4 consecutive years within the last 10
4 years of service immediately preceding withdrawal, for each
5 year of service. If the employee has less than 30 years of
6 service, the annuity shall be reduced by 0.5% for each full
7 month or remaining fraction thereof that the employee's
8 attained age when the annuity is to begin is less than 60.

9 The maximum annuity under this paragraph (b) shall not
10 exceed 75% of the highest average annual salary for any 4
11 consecutive years within the last 10 years of service
12 immediately preceding the date of withdrawal if withdrawal
13 occurs prior to January 1, 1988, or 80% of the highest
14 average annual salary for any 4 consecutive years within the
15 last 10 years of service immediately preceding the date of
16 withdrawal if withdrawal takes place on or after January 1,
17 1988.

18 The provisions of this paragraph (b) do not apply to any
19 former County employee receiving an annuity from the fund,
20 who re-enters service as a County employee, unless he renders
21 at least 3 years of additional service after the date of
22 re-entry.

23 (c) For an employee receiving disability benefit, the
24 salary for annuity purposes under paragraph (a) or (b) of
25 this Section shall, for all periods of disability benefit
26 subsequent to the year 1956, be the amount on which his
27 disability benefit was based.

28 (d) A county employee with 20 or more years of service,
29 whose entire disability benefit credit period expires before
30 attainment of age 50 (age 55 if expiration occurs before
31 January 1, 1988), while still disabled for service is
32 entitled upon withdrawal to the larger of:

33 (1) The minimum annuity provided above, assuming
34 that he is then age 50 (age 55 if expiration occurs

1 before January 1, 1988), and reducing such annuity to its
2 actuarial equivalent at his attained age on such date, or

3 (2) the annuity provided from his age and service
4 and prior service annuity credits.

5 (e) The minimum annuity provisions above do not apply to
6 any former county employee receiving an annuity from the
7 fund, who re-enters service as a county employee, unless he
8 renders at least 3 years of additional service after the date
9 of re-entry.

10 (f) Any employee in service on July 1, 1947, or who
11 enters service thereafter before attaining age 65 and
12 withdraws after age 65 with less than 10 years of service for
13 whom the annuity has been fixed under the foregoing Sections
14 of this Article, shall, instead of the annuity so fixed,
15 receive an annuity as follows:

16 Such amount as he could have received had the accumulated
17 amounts for annuity been improved with interest at the
18 effective rate to the date of withdrawal, or to attainment of
19 age 70, whichever is earlier, and had the county contributed
20 to such earlier date for age and service annuity the amount
21 that it would have contributed had he been under age 65,
22 after the date his annuity was fixed in accordance with this
23 Article, and assuming his annuity were computed from such
24 accumulations as of his age on such earlier date. However
25 those employees who before July 1, 1953, made additional
26 contributions in accordance with this Article, the annuity so
27 computed under this paragraph shall not exceed the annuity
28 which would be payable under the other provisions of this
29 Section if the employee concerned was credited with 20 years
30 of service and would qualify for annuity thereunder.

31 (g) Instead of the annuity provided in this or any other
32 Section of this Article, an employee having attained age 65
33 with at least 15 years of service may elect to receive a
34 minimum annual annuity for life equal to 1% of the highest

1 average annual salary for any 4 consecutive years within the
2 last 10 years of service immediately preceding retirement for
3 each year of service, plus the sum of \$25 for each year of
4 service provided that no such minimum annual annuity may be
5 greater than 60% of such highest average annual salary.

6 (h) The annuity is payable in equal monthly
7 installments.

8 (i) If, by operation of law, a function of a
9 governmental unit, as defined by Section 20-107 of this Code,
10 is transferred in whole or in part to the county in which
11 this Article 9 is created as set forth in Section 9-101, and
12 employees of the governmental unit are transferred as a class
13 to such county, the earnings credits in the retirement system
14 covering the governmental unit which have been validated
15 under Section 20-109 of this Code shall be considered in
16 determining the highest average annual salary for purposes of
17 this Section 9-134.

18 (j) The annuity being paid to an employee annuitant on
19 July 1, 1988, shall be increased on that date by 1% for each
20 full year that has elapsed from the date the annuity began.

21 (k) Notwithstanding anything to the contrary in this
22 Article 9, Section 20-131 shall not apply to an employee who
23 withdraws on or after January 1, 1988, but prior to attaining
24 age 55. Therefore, no employee shall be entitled to elect to
25 have the alternative formula previously set forth in Section
26 20-122 prior to the amendatory Act of 1975 apply to any
27 annuity, the payment of which commenced after January 1,
28 1988, but prior to such employee's attainment of age 55.

29 (Source: P.A. 86-272; 87-794.)

30 (40 ILCS 5/9-134.3)

31 Sec. 9-134.3. Early retirement incentives.

32 (a) To be eligible for the benefits provided in this
33 Section, a person must:

1 (1) be a current contributing member of the Fund
2 established under this Article who, on May 1, 1997 and
3 within 30 days prior to the date of retirement, is (i) in
4 active payroll status in a position of employment under
5 this Article or (ii) receiving disability benefits under
6 Section 9-156 or 9-157; or else be eligible under
7 subsection (g);

8 (2) have not previously retired from the Fund,
9 except as provided under subsection (g);

10 (3) file with the Board before October 1, 1997 (or
11 the date specified in subsection (g), if applicable); a
12 written application requesting the benefits provided in
13 this Section;

14 (4) elect to retire under this Section on or after
15 September 1, 1997 and on or before February 28, 1998 (or
16 the date established under subsection (d) or (g), if
17 applicable);

18 (5) have attained age 55 on or before the date of
19 retirement and before February 28, 1998; and

20 (6) have at least 10 years of creditable service in
21 the Fund, excluding service in any of the other
22 participating systems under the Retirement Systems
23 Reciprocal Act, by the effective date of the retirement
24 annuity or February 28, 1998, whichever occurs first.

25 (b) An employee who qualifies for the benefits provided
26 under this Section shall be entitled to the following:

27 (1) The employee's retirement annuity, as
28 calculated under the other provisions of this Article,
29 shall be increased at the time of retirement by an amount
30 equal to 1% of the employee's average annual salary for
31 the highest 4 consecutive years within the last 10 years
32 of service, multiplied by the employee's number of years
33 of service credit in this Fund up to a maximum of 10
34 years; except that the total retirement annuity,

1 including any additional benefits elected under Section
2 9-121.6 or 9-179.3, shall not exceed 80% of that highest
3 average annual salary.

4 (2) If the employee's retirement annuity is
5 calculated under Section 9-134, the employee shall not be
6 subject to the reduction in retirement annuity because of
7 retirement below age 60 that is otherwise required under
8 that Section.

9 (c) A person who elects to retire under the provisions
10 of this Section thereby relinquishes his or her right, if
11 any, to have the retirement annuity calculated under the
12 alternative formula formerly set forth in Section 20-122 of
13 the Retirement Systems Reciprocal Act.

14 (d) In the case of an employee whose immediate
15 retirement could jeopardize public safety or create hardship
16 for the employer, the deadline for retirement provided in
17 subdivision (a)(4) of this Section may be extended to a
18 specified date, no later than August 31, 1998, by the
19 employee's department head, with the approval of the
20 President of the County Board. In the case of an employee
21 who is not employed by a department of the County, the
22 employee's "department head", for the purposes of this
23 Section, shall be a person designated by the President of the
24 County Board.

25 (e) Notwithstanding Section 9-161, an annuitant who
26 reenters service under this Article after receiving a
27 retirement annuity based on benefits provided under this
28 Section thereby forfeits the right to continue to receive
29 those benefits and shall have his or her retirement annuity
30 recalculated without the benefits provided in this Section.

31 (f) This Section also applies to the Fund established
32 under Article 10 of this Code.

33 (g) A person who (1) was a participating employee on
34 November 30, 1996, (2) was laid off on or after December 1,

1 1996 and before May 1, 1997 due to the elimination of the
 2 employee's job or position, (3) meets the requirements of
 3 items (3) through (6) of subsection (a), and (4) has not been
 4 reinstated as a Cook County employee since being laid off is
 5 eligible for the benefits provided under this Section. For
 6 such a person, the application required under subdivision
 7 (a)(3) of this Section must be filed within 60 days after the
 8 effective date of this amendatory Act of the 92nd General
 9 Assembly, and the date of retirement must be within 60 days
 10 after the effective date of this amendatory Act.

11 In the case of a person eligible under this subsection
 12 (g) who began to receive a retirement annuity before the
 13 effective date of this amendatory Act, the annuity shall be
 14 recalculated to include the increase under this Section, and
 15 that increase shall take effect on the first annuity payment
 16 date following the date of application.

17 (Source: P.A. 90-32, eff. 6-27-97.)

18 (40 ILCS 5/9-134.4 new)

19 Sec. 9-134.4. Early retirement incentives.

20 (a) To be eligible for the benefits provided in this
 21 Section, a person must:

22 (1) be a current contributing member of the Fund
 23 established under this Article who, on January 1, 2001
 24 and within 30 days prior to the date of retirement, is
 25 (i) in active payroll status in a position of employment
 26 under this Article or (ii) receiving disability benefits
 27 under Section 9-156 or 9-157;

28 (2) have not previously retired from the Fund;

29 (3) file with the Board before June 1, 2002 a
 30 written application requesting the benefits provided in
 31 this Section;

32 (4) elect to retire under this Section on or after
 33 June 1, 2002 and on or before November 30, 2002 (or the

1 date established under subsection (d), if applicable);

2 (5) have attained age 50 on or before the date of
3 retirement and before November 30, 2002; and

4 (6) have at least 20 years of creditable service in
5 the Fund, excluding service in any of the other
6 participating systems under the Retirement Systems
7 Reciprocal Act, by the effective date of the retirement
8 annuity or November 30, 2002, whichever occurs first.

9 (b) An employee who qualifies for the benefits provided
10 under this Section shall be entitled to the following:

11 (1) The employee's retirement annuity, as
12 calculated under the other provisions of this Article,
13 shall be increased at the time of retirement by an amount
14 equal to 1% of the employee's average annual salary for
15 the highest 4 consecutive years within the last 10 years
16 of service, multiplied by the employee's number of years
17 of service credit in this Fund up to a maximum of 10
18 years; except that the total retirement annuity,
19 including any additional benefits elected under Section
20 9-121.6 or 9-179.3, shall not exceed 80% of that highest
21 average annual salary.

22 (2) If the employee's retirement annuity is
23 calculated under Section 9-134, the employee shall not be
24 subject to the reduction in retirement annuity because of
25 retirement below age 60 that is otherwise required under
26 that Section.

27 (c) A person who elects to retire under the provisions
28 of this Section thereby relinquishes his or her right, if
29 any, to have the retirement annuity calculated under the
30 alternative formula formerly set forth in Section 20-122 of
31 the Retirement Systems Reciprocal Act.

32 (d) In the case of an employee whose immediate
33 retirement could jeopardize public safety or create hardship
34 for the employer, the deadline for retirement provided in

1 subdivision (a)(4) of this Section may be extended to a
 2 specified date, no later than May 31, 2003, by the employee's
 3 department head, with the approval of the President of the
 4 County Board. In the case of an employee who is not employed
 5 by a department of the County, the employee's "department
 6 head", for the purposes of this Section, shall be a person
 7 designated by the President of the County Board.

8 (e) Notwithstanding Section 9-161, an annuitant who
 9 reenters service under this Article after receiving a
 10 retirement annuity based on benefits provided under this
 11 Section thereby forfeits the right to continue to receive
 12 those benefits and shall have his or her retirement annuity
 13 recalculated without the benefits provided in this Section.

14 (f) This Section also applies to the Fund established
 15 under Article 10 of this Code.

16 (40 ILCS 5/9-146.1) (from Ch. 108 1/2, par. 9-146.1)
 17 Sec. 9-146.1. Minimum annuities for widows. The widow of
 18 an employee who retires from service or dies while in the
 19 service subsequent to June 11, 1965, who is otherwise
 20 eligible for widow's annuity under this Article and for whom
 21 the amount of widow's annuity and widow's prior service
 22 annuity combined, fixed or provided for such widow under
 23 other provisions of this Article 9 is less than the amount
 24 hereinafter provided in this Section, shall, from and after
 25 the date her otherwise provided annuity would begin, in lieu
 26 of such otherwise provided widow's and widow's prior service
 27 annuity, be entitled to the following indicated amount of
 28 annuity:

29 (a) The widow₇ of any employee who dies while in the
 30 service on or after the date on which he attains the age of
 31 60 or more years with at least 20 years of service, or 10 or
 32 more years of service if death occurs on or after attainment
 33 of age 65 and on or after January 1, 1982, shall be entitled

1 to an annuity equal to one-half of the amount of annuity
2 which her deceased husband would have been entitled to
3 receive had he withdrawn from the service on the day
4 immediately preceding the date of his death, conditional upon
5 such widow having attained the age of 60 or more years on
6 such date. Such amount of widow's annuity shall not, however,
7 exceed the sum of \$500 a month if death in service occurs
8 before July 1, 1985.

9 If such widow of such described employee shall not be 60
10 or more years of age on such date of death, the amount
11 provided in the immediately preceding paragraph for a widow
12 60 or more years of age, shall, in the case of such younger
13 widow, be reduced by 1/2 of 1 per cent for each month that
14 her then attained age is less than 60 years; except that such
15 younger widow of an employee who dies while in service on or
16 after July 1, 1985 with at least 30 years of service, shall
17 not be subject to the reduction in widow's annuity because of
18 her age less than 60 on the date of the employee's death.

19 (b) The widow, of any employee who dies subsequent to
20 the date of his retirement on annuity, and who so retired on
21 or after the date on which he attained the age of 60 or more
22 years with at least 20 years of service, or 10 or more years
23 of service if retirement occurs on or after attainment of age
24 65 and on or after January 1, 1982, shall be entitled to an
25 annuity equal to one-half of the amount of annuity which her
26 deceased husband received as of the date of his retirement on
27 annuity, conditional upon such widow having attained the age
28 of 60 or more years on the date of her husband's retirement
29 on annuity. Such amount of widow's annuity shall not,
30 however, exceed the sum of \$500 a month if the death occurs
31 before the effective date of this amendatory Act of 1991.

32 If such widow of such described employee shall not have
33 attained such age of 60 or more years on such date of her
34 husband's retirement on annuity, the amount provided in the

1 immediately preceding paragraph for a widow 60 or more years
2 of age on the date of her husband's retirement on annuity,
3 shall, in the case of such then younger widow, be reduced by
4 1/2 of 1 per cent for each month that her then attained age
5 was less than 60 years; except that such younger widow of an
6 employee retiring on or after July 1, 1985 with at least 30
7 years of service, shall not be subject to the reduction in
8 widow's annuity because of her age less than 60 on the date
9 of the employee's retirement.

10 (c) The foregoing provisions relating to minimum
11 annuities for widows shall not apply to the widow of any
12 former county employee receiving an annuity from the Fund on
13 June 11, 1965, who re-enters service as a county employee,
14 unless such employee renders at least 3 years of additional
15 service after the date of re-entry.

16 (d) An annuity being paid to a surviving spouse on
17 January 1, 1984 shall be increased by 10% and shall
18 thereafter be paid at the increased rate until the
19 termination of the annuity by death or other cause. The
20 annuity for a qualifying widow shall not exceed \$500 per
21 month.

22 (e) The widow of any employee who dies while in service
23 on or after July 1, 1985 but prior to January 1, 1988, and
24 the widow of an employee who retires on or after July 1, 1985
25 but prior to January 1, 1988 with at least 10 years of
26 service, and the widow of an employee who retires on or after
27 January 1, 1984 but prior to July 1, 1985 with at least 30
28 years of service, shall be entitled to an annuity equal to
29 one-half of the amount of annuity which her deceased husband
30 would have received had he retired immediately prior to his
31 death or one-half the amount of the originally granted
32 retirement annuity, whichever is applicable. Such widow's
33 annuity will be reduced 0.5% for each month that the widow's
34 attained age is less than age 60 on the date of the

1 employee's death in service or retirement if the employee's
2 death in service or retirement is before January 1, 1988;
3 except that such younger widow of an employee with at least
4 30 years of service shall not be subject to the reduction in
5 widow's annuity because of her age less than 60 on the date
6 of the employee's death in service or retirement.

7 The widow of an employee who dies in service on or after
8 January 1, 1988, or retires on or after January 1, 1988 with
9 at least 10 years of service, shall be entitled to an annuity
10 equal to 1/2 of the amount of annuity which her deceased
11 husband would have received had he retired immediately prior
12 to his death or 1/2 of the amount of the annuity which her
13 deceased husband received as of the date of his death,
14 whichever is applicable. Such widow's annuity shall be
15 reduced 0.5% for each month that the widow's attained age is
16 less than age 60 on the date of the employee's death if
17 employee's death in service or retirement is after January 1,
18 1988; except that such younger widow of an employee with at
19 least 30 years of service shall not be subject to the
20 reduction in widow's annuity because of her age on the date
21 of the employee's death.

22 In lieu of any other annuity provided by this Article,
23 the widow of an employee who dies in service on or after
24 January 1, 1992, or retires on or after January 1, 1992 with
25 at least 10 years of service, shall be entitled to an annuity
26 equal to 1/2 of the amount of annuity which her deceased
27 husband would have received had he retired immediately prior
28 to his death or 1/2 of the amount of the annuity which her
29 deceased husband received as of the date of his death,
30 whichever is applicable. Such widow's annuity shall be
31 reduced 0.5% for each month that the widow's attained age is
32 less than age 55 on the date of the employee's death; except
33 that such younger widow of an employee with at least 30 years
34 of service shall not be subject to the reduction in widow's

1 annuity because of her age on the date of the employee's
2 death.

3 In lieu of any other annuity provided by this Article,
4 the widow of an employee who dies in service or withdraws
5 from service on or after January 1, 1992 but before January
6 1, 1993 at age 55 or over with at least 5 but less than 10
7 years of service, shall be entitled to an annuity equal to
8 half of the amount of annuity which her deceased husband
9 would have received had he retired immediately prior to his
10 death or half of the amount of the annuity which her deceased
11 husband received as of the date of his death, whichever is
12 applicable. This widow's annuity shall be reduced 0.5% for
13 each month that the widow's attained age is less than 60 on
14 the date of the employee's death.

15 However, in the case of an employee dying in service, the
16 amount of widow's annuity shall not be less than 10% of the
17 highest average annual salary for any 4 consecutive years
18 within the last 10 years of service immediately preceding the
19 date of withdrawal. The maximum amount of annuity under this
20 paragraph shall not be limited to a dollar maximum. The
21 provisions of this paragraph shall not apply to the widow of
22 any former County employee receiving an annuity from the fund
23 who re-enters service as a County employee, unless such
24 employee renders at least 3 years of additional service after
25 the date of re-entry.

26 (f) An annuity being paid to a surviving spouse on July
27 1, 1988, shall be increased on that date by 1% for each full
28 year that has elapsed from the date the annuity began.

29 (g) In lieu of any other annuity provided under this
30 Article, if the deceased employee was receiving a retirement
31 annuity at the time of his death and that death occurs on or
32 after January 1, 1993, the widow's annuity shall be 50% of
33 the deceased employee's retirement annuity at the time of
34 death, reduced by 0.5% for each month that the widow's age on

1 the date of death is less than 55, except that the reduction
2 does not apply if the deceased employee had at least 30 years
3 of service.

4 (h) In lieu of any other annuity provided under this
5 Article, the widow of an employee who dies in service on or
6 after January 1, 2002 or has at least 10 years of service and
7 dies on or after January 1, 2002 while receiving an annuity
8 shall be entitled to a widow's annuity equal to 65% of the
9 amount of annuity which her deceased husband would have
10 received had he retired immediately prior to his death or 65%
11 of the amount of the annuity which her deceased husband
12 received as of the date of his death, whichever is
13 applicable. This widow's annuity shall be reduced by 0.5%
14 for each month that the widow's age on the date of the
15 employee's death is less than 55, unless the deceased husband
16 had at least 30 years of service.

17 (Source: P.A. 86-273; 87-794; 87-1265.)

18 (40 ILCS 5/9-163) (from Ch. 108 1/2, par. 9-163)

19 Sec. 9-163. Restoration of rights. An employee who has
20 withdrawn as a refund the amounts credited for annuity
21 purposes, and who re-enters service and serves for periods
22 comprising at least 2 years after the date of the last refund
23 paid to him, may have his annuity rights restored by making
24 application to the board in writing for the privilege of
25 reinstating such rights and by compliance with the following
26 provisions:

27 (a) The employee shall repay in full to the fund
28 while in service all refunds received, together with
29 interest at the effective rate from the application date
30 of such refund or refunds to the date of repayment.

31 (b) If payment is not made in a single sum, the
32 repayment may be made in installments by deductions from
33 salary or otherwise in such amounts as the employee may

1 elect to pay, with interest at the effective rate
2 accruing on unpaid balances.

3 (c) If the employee withdraws from service or dies
4 in service before full repayment is made, or during the
5 required return to service, the amounts repaid, including
6 interest repaid but without further interest, shall be
7 refunded in accordance with the refund provisions of this
8 Article.

9 For an employee who applies to the Fund to reinstate
10 credit and repay a refund between January 1, 1993 and March
11 1, 1993, the 2 year minimum period of subsequent service
12 required under item (a) shall be instead a period of 6
13 months.

14 A person who establishes service credit under Section
15 9-121.16 may, at the same time, reinstate credit in this Fund
16 and repay a refund without a return to service,
17 notwithstanding the other provisions of this Section.

18 (Source: P.A. 87-1265.)

19 (40 ILCS 5/9-179.3) (from Ch. 108 1/2, par. 9-179.3)

20 Sec. 9-179.3. Optional plan of additional benefits and
21 contributions.

22 (a) While this plan is in effect, an employee may
23 establish additional optional credit for additional optional
24 benefits by electing in writing at any time to make
25 additional optional contributions. The employee may
26 discontinue making the additional optional contributions at
27 any time by notifying the fund in writing.

28 (b) Additional optional contributions for the additional
29 optional benefits shall be as follows:

30 (1) For service after the option is elected, an
31 additional contribution of 3% of salary shall be
32 contributed to the fund on the same basis and under the
33 same conditions as contributions required under Sections

1 9-170 and 9-176.

2 (2) For service before the option is elected, an
3 additional contribution of 3% of the salary for the
4 applicable period of service, plus interest at the
5 effective rate from the date of service to the date of
6 payment. All payments for past service must be paid in
7 full before credit is given. No additional optional
8 contributions may be made for any period of service for
9 which credit has been previously forfeited by acceptance
10 of a refund, unless the refund is repaid in full with
11 interest at the effective rate from the date of refund to
12 the date of repayment.

13 (c) Additional optional benefits shall accrue for all
14 periods of eligible service for which additional
15 contributions are paid in full. The additional benefit shall
16 consist of an additional 1% for each year of service for
17 which optional contributions have been paid, based on the
18 highest average annual salary for any 4 consecutive years
19 within the last 10 years of service immediately preceding the
20 date of withdrawal, to be added to the employee retirement
21 annuity benefits as otherwise computed under this Article.
22 The calculation of these additional benefits shall be subject
23 to the same terms and conditions as are used in the
24 calculation of retirement annuity under Section 9-134. The
25 additional benefit shall be included in the calculation of
26 the automatic annual increase in annuity, and in the
27 calculation of widow's annuity, where applicable. However no
28 additional benefits will be granted which produce a total
29 annuity greater than the applicable maximum established for
30 that type of annuity in this Article, and additional benefits
31 shall not apply to any benefit computed under Section
32 9-128.1.

33 (d) Refunds of additional optional contributions shall
34 be made on the same basis and under the same conditions as

1 provided under Sections 9-164, 9-166 and 9-167. Interest
2 shall be credited at the effective rate on the same basis and
3 under the same conditions as for other contributions.

4 (e) Optional contributions shall be accounted for in a
5 separate Optional Contribution Reserve.

6 (f) The tax levy, computed under Section 9-169, shall be
7 based on employee contributions including the amount of
8 optional additional employee contributions.

9 (g) Service eligible under this Section may include only
10 service as an employee of the County as defined in Section
11 9-108, and subject to Sections 9-219 and 9-220. No service
12 granted under Section 9-121.1, 9-121.4 or 9-179.2 shall be
13 eligible for optional service credit. No optional service
14 credit may be established for any military service, or for
15 any service under any other Article of this Code. Optional
16 service credit may be established for any period of
17 disability paid from this fund, if the employee makes
18 additional optional contributions for such periods of
19 disability.

20 (h) This plan of optional benefits and contributions
21 shall not apply to any former county employee receiving an
22 annuity from the fund, who re-enters service as a County
23 employee, unless he renders at least 3 years of additional
24 service after the date of re-entry.

25 (i) The effective date of the optional plan of
26 additional benefits and contributions shall be July 1, 1985,
27 or the date upon which approval is received from the Internal
28 Revenue Service, whichever is later.

29 (j) This plan of additional benefits and contributions
30 shall expire July 1, 2005 2002. No additional contributions
31 may be made after that date, and no additional benefits will
32 accrue after that date.

33 (Source: P.A. 90-32, eff. 6-27-97; 90-460, eff. 8-17-97.)

1 (40 ILCS 5/9-185) (from Ch. 108 1/2, par. 9-185)
2 Sec. 9-185. Board created.

3 (a) A board of 9 7 members shall constitute the board of
4 trustees authorized to carry out the provisions of this
5 Article. The board of trustees shall be known as "The
6 Retirement Board of the County Employees' Annuity and Benefit
7 Fund of County". The board shall consist of 2 members
8 appointed and 7 5 members elected as hereinafter prescribed.

9 (b) The appointed members shall be appointed as follows:
10 One member shall be appointed by the comptroller of such
11 county, who may be the comptroller or some person chosen by
12 him from among employees of the county, who are versed in the
13 affairs of the comptroller's office; and one member shall be
14 appointed by the treasurer of such county, who may be the
15 treasurer or some person chosen by him from among employees
16 of the County who are versed in the affairs of the
17 treasurer's office.

18 The member appointed by the comptroller shall hold office
19 for a term ending on December 1st of the first year following
20 the year of appointment. The member appointed by the county
21 treasurer shall hold office for a term ending on December 1st
22 of the second year following the year of appointment.

23 Thereafter, each appointed member shall be appointed by
24 the officer that appointed his predecessor for a term of 2
25 years.

26 (c) Three county employee members of the board shall be
27 elected as follows: within 30 days from and after the date
28 upon which this Article comes into effect in the county, the
29 clerk of the county shall arrange for and hold an election.
30 One employee shall be elected for a term ending on the first
31 day in the month of December of the first year next following
32 the effective date; one for a term ending on December 1st of
33 the following year; and one for a term ending December 1st of
34 the second following year.

1 (d) Beginning December 1, 1988, and every 3 years
2 thereafter, an annuitant member of the board shall be elected
3 as follows: the board shall arrange for and hold an election
4 in which only those participants who are currently receiving
5 retirement ~~or-disability~~ benefits under this Article shall be
6 eligible to vote and be elected. Each such member shall be
7 elected to a term ending on the first day in the month of
8 December of the third following year.

9 (d-1) Beginning December 1, 2001, and every 3 years
10 thereafter, an annuitant member of the board shall be elected
11 as follows: the board shall arrange for and hold an election
12 in which only those participants who are currently receiving
13 retirement benefits under this Article shall be eligible to
14 vote and be elected. Each such member shall be elected to a
15 term ending on the first day in the month of December of the
16 third following year. Until December 1, 2001, the position
17 created under this subsection (d-1) may be filled by the
18 board as in the case of a vacancy.

19 (e) Beginning December 1, 1988, if a Forest Preserve
20 District Employees' Annuity and Benefit Fund shall be in
21 force in such county and the board of this fund is charged
22 with administering the affairs of such annuity and benefit
23 fund for employees of such forest preserve district, a forest
24 preserve district member of the board shall be elected as of
25 December 1, 1988, and every 3 years thereafter as follows:
26 the board shall arrange for and hold an election in which
27 only those employees of such forest preserve district who are
28 contributors to the annuity and benefit fund for employees of
29 such forest preserve district shall be eligible to vote and
30 be elected. Each such member shall be elected to a term
31 ending on the first day in the month of December of the third
32 following year.

33 (f) Beginning December 1, 2001, and every 3 years
34 thereafter, if a Forest Preserve District Employees' Annuity

1 and Benefit Fund is in force in the county and the board of
 2 this Fund is charged with administering the affairs of that
 3 annuity and benefit fund for employees of the forest preserve
 4 district, a forest preserve district annuitant member of the
 5 board shall be elected as follows: the board shall arrange
 6 for and hold an election in which only those participants who
 7 are currently receiving retirement benefits under Article 10
 8 shall be eligible to vote and be elected. Each such member
 9 shall be elected to a term ending on the first day in the
 10 month of December of the third following year. Until
 11 December 1, 2001, the position created under this subsection
 12 (f) may be filled by the board as in the case of a vacancy.

13 (Source: P.A. 85-964; 86-1488.)

14 (40 ILCS 5/9-186) (from Ch. 108 1/2, par. 9-186)
 15 Sec. 9-186. Board elections. In each year, the board
 16 shall conduct a regular election, under rules adopted by it,
 17 at least 30 days prior to the expiration of the term of each
 18 elected employee or annuitant member.

19 To be eligible to be a county employee member, a person
 20 must be an employee of the county and must have at least 5
 21 years of service credit in that capacity by December 1 of the
 22 year of election. To be eligible to be a forest preserve
 23 district member, a person must be an employee of the forest
 24 preserve district and must have at least 5 years of service
 25 credit in that capacity by December 1 of the year of
 26 election.

27 Only those persons who are employees of the county shall
 28 be eligible to vote for the 3 county employee members, only
 29 those persons who are employees of the forest preserve
 30 district shall be eligible to vote for the forest preserve
 31 district member, and only those persons who are currently
 32 receiving retirement or--disability benefits under this
 33 Article shall be eligible to vote for the annuitant members

1 elected under subsections (d) and (d-1) of Section 9-185, and
2 only those persons who are currently receiving retirement
3 benefits under Article 10 shall be eligible to vote for the
4 forest preserve district annuitant member elected under
5 subsection (f) of Section 9-185. The ballot shall be of
6 secret character.

7 Except as otherwise provided in Section 9-187, each
8 member of the board shall hold office until his successor is
9 chosen and has qualified.

10 Any person elected or appointed a member of the board
11 shall qualify for the office by taking an oath of office to
12 be administered by the county clerk or a person designated by
13 him. A copy thereof shall be kept in the office of the
14 county clerk. Any appointment or notice of election shall be
15 in writing and the written instrument shall be filed with the
16 oath.

17 (Source: P.A. 85-964; 86-1488.)

18 (40 ILCS 5/9-187) (from Ch. 108 1/2, par. 9-187)

19 Sec. 9-187. Board vacancy.

20 (a) A vacancy in the membership of the board shall be
21 filled as follows:

22 If the vacancy is that of an appointive member, the
23 official who appointed him shall appoint a person to serve
24 for the unexpired term.

25 If the vacancy is that of a county employee member, the
26 remaining members of the board shall appoint a successor from
27 among the employees of the county, who shall serve during the
28 remainder of the unexpired term.

29 If the vacancy is that of a forest preserve district
30 member, the remaining members of the board shall appoint a
31 successor from among the employees of the forest preserve
32 district, who shall serve during the remainder of the
33 unexpired term.

1 If the vacancy is that of an annuitant member other than
 2 a forest preserve district annuitant member, the remaining
 3 members of the board shall appoint a successor from among
 4 those persons who are currently receiving retirement or
 5 disability benefits under this Article.

6 If the vacancy is that of a forest preserve district
 7 annuitant member, the remaining members of the board shall
 8 appoint a successor from among those persons who are
 9 currently receiving retirement benefits under Article 10.

10 (b) Any county or forest preserve district member who
 11 withdraws from service shall automatically cease to be a
 12 member of the board. Any annuitant member other than a
 13 forest preserve district annuitant member whose retirement or
 14 disability benefits cease under this Article, and any forest
 15 preserve district annuitant member whose retirement benefits
 16 cease under Article 10, shall also automatically cease to be
 17 a member of the Board.

18 (Source: P.A. 85-964; 86-1488.)

19 (40 ILCS 5/9-219) (from Ch. 108 1/2, par. 9-219)
 20 Sec. 9-219. Computation of service.

21 (1) In computing the term of service of an employee
 22 prior to the effective date, the entire period beginning on
 23 the date he was first appointed and ending on the day before
 24 the effective date, except any intervening period during
 25 which he was separated by withdrawal from service, shall be
 26 counted for all purposes of this Article.

27 (2) In computing the term of service of any employee on
 28 or after the effective date, the following periods of time
 29 shall be counted as periods of service for age and service,
 30 widow's and child's annuity purposes:

31 (a) The time during which he performed the duties
 32 of his position.

33 (b) Vacations, leaves of absence with whole or part

1 pay, and leaves of absence without pay not longer than 90
2 days.

3 (c) For an employee who is a member of a county
4 police department or a correctional officer with the
5 county department of corrections, approved leaves of
6 absence without pay during which the employee serves as a
7 full-time officer or employee head of an employee
8 association, the membership of which consists of other
9 participants in the Fund police-officers, provided that
10 the employee contributes to the Fund (1) the amount that
11 he would have contributed had he remained an active
12 employee member-of-the-county-police--department in the
13 position he occupied at the time the leave of absence was
14 granted, (2) an amount calculated by the Board
15 representing employer contributions, and (3) regular
16 interest thereon from the date of service to the date of
17 payment. However, if the employee's application to
18 establish credit under this subsection is received by the
19 Fund on or after January 1, 2002 and before July 1, 2002,
20 the amount representing employer contributions specified
21 in item (2) shall be waived.

22 For a former member of a county police department
23 who has received a refund under Section 9-164, periods
24 during which the employee serves as head of an employee
25 association, the membership of which consists of other
26 police officers, provided that the employee contributes
27 to the Fund (1) the amount that he would have contributed
28 had he remained an active member of the county police
29 department in the position he occupied at the time he
30 left service, (2) an amount calculated by the Board
31 representing employer contributions, and (3) regular
32 interest thereon from the date of service to the date of
33 payment. However, if the former member of the county
34 police department retires on or after January 1, 1993 but

1 no later than March 1, 1993, the amount representing
2 employer contributions specified in item (2) shall be
3 waived.

4 (d) Any period of disability for which he received
5 disability benefit or whole or part pay.

6 (e) Accumulated vacation or other time for which an
7 employee who retires on or after November 1, 1990
8 receives a lump sum payment at the time of retirement,
9 provided that contributions were made to the fund at the
10 time such lump sum payment was received. The service
11 granted for the lump sum payment shall not change the
12 employee's date of withdrawal for computing the effective
13 date of the annuity.

14 (f) An employee may receive service credit for
15 annuity purposes for accumulated sick leave as of the
16 date of the employee's withdrawal from service, not to
17 exceed a total of 180 days, provided that the amount of
18 such accumulated sick leave is certified by the County
19 Comptroller to the Board and the employee pays an amount
20 equal to 8.5% (9% for members of the County Police
21 Department who are eligible to receive an annuity under
22 Section 9-128.1) of the amount that would have been paid
23 had such accumulated sick leave been paid at the
24 employee's final rate of salary. Such payment shall be
25 made within 30 days after the date of withdrawal and
26 prior to receipt of the first annuity check. The service
27 credit granted for such accumulated sick leave shall not
28 change the employee's date of withdrawal for the purpose
29 of computing the effective date of the annuity.

30 (3) In computing the term of service of an employee on
31 or after the effective date for ordinary disability benefit
32 purposes, the following periods of time shall be counted as
33 periods of service:

34 (a) Unless otherwise specified in Section 9-157,

1 the time during which he performed the duties of his
2 position.

3 (b) Paid vacations and leaves of absence with whole
4 or part pay.

5 (c) Any period for which he received duty
6 disability benefit.

7 (d) Any period of disability for which he received
8 whole or part pay.

9 (4) For an employee who on January 1, 1958, was
10 transferred by Act of the 70th General Assembly from his
11 position in a department of welfare of any city located in
12 the county in which this Article is in force and effect to a
13 similar position in a department of such county, service
14 shall also be credited for ordinary disability benefit and
15 child's annuity for such period of department of welfare
16 service during which period he was a contributor to a
17 statutory annuity and benefit fund in such city and for which
18 purposes service credit would otherwise not be credited by
19 virtue of such involuntary transfer.

20 (5) An employee described in subsection (e) of Section
21 9-108 shall receive credit for child's annuity and ordinary
22 disability benefit for the period of time for which he was
23 credited with service in the fund from which he was
24 involuntarily separated through class or group transfer;
25 provided, that no such credit shall be allowed to the extent
26 that it results in a duplication of credits or benefits, and
27 neither shall such credit be allowed to the extent that it
28 was or may be forfeited by the application for and acceptance
29 of a refund from the fund from which the employee was
30 transferred.

31 (6) Overtime or extra service shall not be included in
32 computing service. Not more than 1 year of service shall be
33 allowed for service rendered during any calendar year.

34 (Source: P.A. 86-1488; 87-794; 87-1265.)

1 (40 ILCS 5/11-125.8)

2 Sec. 11-125.8. Service as police officer, firefighter, or
3 teacher.

4 (a) Service rendered by an employee as a police officer
5 and member of the regularly constituted police department of
6 the city, or as a firefighter and regular member of the paid
7 fire department of the city, or as a teacher in the public
8 school system in the city shall be counted, for the purposes
9 of this Article, as service rendered as an employee of the
10 city. Salary received for any such service shall be treated,
11 for the purposes of this Article, as salary received for the
12 performance of duty as an employee.

13 (b) Credit shall be granted under subsection (a) only if
14 (1) the employee pays to the Fund prior to his or her
15 separation from service an amount equal to the employee
16 contributions that would have been payable for that service,
17 based on the salary actually received, plus interest at the
18 effective rate, and (2) the employee has terminated any
19 credit for that service earned in any other annuity and
20 benefit fund or pension fund in operation in the city for the
21 benefit of police officers, firefighters, or teachers. The
22 amount transferred to the Fund under item (1) of Section
23 5-233.1, if any, shall be credited against the contributions
24 required under this subsection.

25 (Source: P.A. 90-31, eff. 6-27-97.)

26 (40 ILCS 5/11-134) (from Ch. 108 1/2, par. 11-134)

27 Sec. 11-134. Minimum annuities.

28 (a) An employee whose withdrawal occurs after July 1,
29 1957 at age 60 or over, with 20 or more years of service, (as
30 service is defined or computed in Section 11-216), for whom
31 the age and service and prior service annuity combined is
32 less than the amount stated in this Section, shall, from and
33 after the date of withdrawal, in lieu of all annuities

1 otherwise provided in this Article, be entitled to receive an
2 annuity for life of an amount equal to 1 2/3% for each year
3 of service, of the highest average annual salary for any 5
4 consecutive years within the last 10 years of service
5 immediately preceding the date of withdrawal; provided, that
6 in the case of any employee who withdraws on or after July 1,
7 1971, such employee age 60 or over with 20 or more years of
8 service, shall be entitled to instead receive an annuity for
9 life equal to 1.67% for each of the first 10 years of
10 service; 1.90% for each of the next 10 years of service;
11 2.10% for each year of service in excess of 20 but not
12 exceeding 30; and 2.30% for each year of service in excess of
13 30, based on the highest average annual salary for any 4
14 consecutive years within the last 10 years of service
15 immediately preceding the date of withdrawal.

16 An employee who withdraws after July 1, 1957 and before
17 January 1, 1988, with 20 or more years of service, before age
18 60, shall be entitled to an annuity, to begin not earlier
19 than age 55, if under such age at withdrawal, as computed in
20 the last preceding paragraph, reduced 0.25% if the employee
21 was born before January 1, 1936, or 0.5% if the employee was
22 born on or after January 1, 1936, for each full month or
23 fractional part thereof that his attained age when such
24 annuity is to begin is less than 60.

25 Any employee born before January 1, 1936 who withdraws
26 with 20 or more years of service, and any employee with 20 or
27 more years of service who withdraws on or after January 1,
28 1988, may elect to receive, in lieu of any other employee
29 annuity provided in this Section, an annuity for life equal
30 to 1.80% for each of the first 10 years of service, 2.00% for
31 each of the next 10 years of service, 2.20% for each year of
32 service in excess of 20, but not exceeding 30, and 2.40% for
33 each year of service in excess of 30, of the highest average
34 annual salary for any 4 consecutive years within the last 10

1 years of service immediately preceding the date of
2 withdrawal, to begin not earlier than upon attained age of 55
3 years, if under such age at withdrawal, reduced 0.25% for
4 each full month or fractional part thereof that his attained
5 age when annuity is to begin is less than 60; except that an
6 employee retiring on or after January 1, 1988, at age 55 or
7 over but less than age 60, having at least 35 years of
8 service, or an employee retiring on or after July 1, 1990, at
9 age 55 or over but less than age 60, having at least 30 years
10 of service, or an employee retiring on or after the effective
11 date of this amendatory Act of 1997, at age 55 or over but
12 less than age 60, having at least 25 years of service, shall
13 not be subject to the reduction in retirement annuity because
14 of retirement below age 60.

15 However, in the case of an employee who retired on or
16 after January 1, 1985 but before January 1, 1988, at age 55
17 or older and with at least 35 years of service, and who was
18 subject under this subsection (a) to the reduction in
19 retirement annuity because of retirement below age 60, that
20 reduction shall cease to be effective January 1, 1991, and
21 the retirement annuity shall be recalculated accordingly.

22 Any employee who withdraws on or after July 1, 1990, with
23 20 or more years of service, may elect to receive, in lieu of
24 any other employee annuity provided in this Section, an
25 annuity for life equal to 2.20% for each year of service if
26 withdrawal is before 60 days after the effective date of this
27 amendatory Act of the 92nd General Assembly, or 2.40% for
28 each year of service if withdrawal is 60 days after the
29 effective date of this amendatory Act of the 92nd General
30 Assembly or later, of the highest average annual salary for
31 any 4 consecutive years within the last 10 years of service
32 immediately preceding the date of withdrawal, to begin not
33 earlier than upon attained age of 55 years, if under such age
34 at withdrawal, reduced 0.25% for each full month or

1 fractional part thereof that his attained age when annuity is
2 to begin is less than 60; except that an employee retiring at
3 age 55 or over but less than age 60, having at least 30 years
4 of service, shall not be subject to the reduction in
5 retirement annuity because of retirement below age 60.

6 Any employee who withdraws on or after the effective date
7 of this amendatory Act of 1997 with 20 or more years of
8 service may elect to receive, in lieu of any other employee
9 annuity provided in this Section, an annuity for life equal
10 to 2.20%, for each year of service if withdrawal is before 60
11 days after the effective date of this amendatory Act of the
12 92nd General Assembly, or 2.40% for each year of service if
13 withdrawal is 60 days after the effective date of this
14 amendatory Act of the 92nd General Assembly or later, of the
15 highest average annual salary for any 4 consecutive years
16 within the last 10 years of service immediately preceding the
17 date of withdrawal, to begin not earlier than upon attainment
18 of age 55 (age 50 if the employee has at least 30 years of
19 service), reduced 0.25% for each full month or remaining
20 fractional part thereof that the employee's attained age when
21 annuity is to begin is less than 60; except that an employee
22 retiring at age 50 or over with at least 30 years of service
23 or at age 55 or over with at least 25 years of service shall
24 not be subject to the reduction in retirement annuity because
25 of retirement below age 60.

26 The maximum annuity payable under this paragraph (a) of
27 this Section shall not exceed 70% of highest average annual
28 salary in the case of an employee who withdraws prior to July
29 1, 1971, 75% if withdrawal takes place on or after July 1,
30 1971, and prior to 60 days after the effective date of this
31 amendatory Act of the 92nd General Assembly, or 80% if
32 withdrawal is 60 days after the effective date of this
33 amendatory Act of the 92nd General Assembly or later. For the
34 purpose of the minimum annuity provided in said paragraphs

1 \$1,500 shall be considered the minimum annual salary for any
2 year; and the maximum annual salary to be considered for the
3 computation of such annuity shall be \$4,800 for any year
4 prior to 1953, \$6,000 for the years 1953 to 1956, inclusive,
5 and the actual annual salary, as salary is defined in this
6 Article, for any year thereafter.

7 (b) For an employee receiving disability benefit, his
8 salary for annuity purposes under this Section shall, for all
9 periods of disability benefit subsequent to the year 1956, be
10 the amount on which his disability benefit was based.

11 (c) An employee with 20 or more years of service, whose
12 entire disability benefit credit period expires prior to
13 attainment of age 55 while still disabled for service, shall
14 be entitled upon withdrawal to the larger of (1) the minimum
15 annuity provided above assuming that he is then age 55, and
16 reducing such annuity to its actuarial equivalent at his
17 attained age on such date, or (2) the annuity provided from
18 his age and service and prior service annuity credits.

19 (d) The minimum annuity provisions as aforesaid shall
20 not apply to any former employee receiving an annuity from
21 the fund, and who re-enters service as an employee, unless he
22 renders at least 3 years of additional service after the date
23 of re-entry.

24 (e) An employee in service on July 1, 1947, or who
25 became a contributor after July 1, 1947 and prior to July 1,
26 1950, or who shall become a contributor to the fund after
27 July 1, 1950 prior to attainment of age 70, who withdraws
28 after age 65 with less than 20 years of service, for whom the
29 annuity has been fixed under the foregoing Sections of this
30 Article shall, in lieu of the annuity so fixed, receive an
31 annuity as follows:

32 Such amount as he could have received had the accumulated
33 amounts for annuity been improved with interest at the
34 effective rate to the date of his withdrawal, or to

1 attainment of age 70, whichever is earlier, and had the city
2 contributed to such earlier date for age and service annuity
3 the amount that would have been contributed had he been under
4 age 65, after the date his annuity was fixed in accordance
5 with this Article, and assuming his annuity were computed
6 from such accumulations as of his age on such earlier date.
7 The annuity so computed shall not exceed the annuity which
8 would be payable under the other provisions of this Section
9 if the employee was credited with 20 years of service and
10 would qualify for annuity thereunder.

11 (f) In lieu of the annuity provided in this or in any
12 other Section of this Article, an employee having attained
13 age 65 with at least 15 years of service who withdraws from
14 service on or after July 1, 1971 and whose annuity computed
15 under other provisions of this Article is less than the
16 amount provided under this paragraph shall be entitled to
17 receive a minimum annual annuity for life equal to 1% of the
18 highest average annual salary for any 4 consecutive years
19 within the last 10 years of service immediately preceding
20 retirement for each year of his service plus the sum of \$25
21 for each year of service. Such annual annuity shall not
22 exceed the maximum percentages stated under paragraph (a) of
23 this Section of such highest average annual salary.

24 (f-1) Instead of any other retirement annuity provided
25 in this Article, an employee who has at least 10 years of
26 service and withdraws from service on or after January 1,
27 1999 may elect to receive a retirement annuity for life,
28 beginning no earlier than upon attainment of age 60, equal to
29 2.2% if withdrawal is before 60 days after the effective date
30 of this amendatory Act of the 92nd General Assembly or 2.4%
31 for each year of service if withdrawal is 60 days after the
32 effective date of this amendatory Act of the 92nd General
33 Assembly or later, of final average salary for each year of
34 service, subject to a maximum of 75% of final average salary

1 if withdrawal is before 60 days after the effective date of
2 this amendatory Act of the 92nd General Assembly, or 80% if
3 withdrawal is 60 days after the effective date of this
4 amendatory Act of the 92nd General Assembly or later. For the
5 purpose of calculating this annuity, "final average salary"
6 means the highest average annual salary for any 4 consecutive
7 years in the last 10 years of service.

8 (g) Any annuity payable under the preceding subsections
9 of this Section 11-134 shall be paid in equal monthly
10 installments.

11 (h) The amendatory provisions of part (a) and (f) of
12 this Section shall be effective July 1, 1971 and apply in the
13 case of every qualifying employee withdrawing on or after
14 July 1, 1971.

15 (i) The amendatory provisions of this amendatory Act of
16 1985 relating to the discount of annuity because of
17 retirement prior to attainment of age 60 and increasing the
18 retirement formula for those born before January 1, 1936,
19 shall apply only to qualifying employees withdrawing on or
20 after August 16, 1985.

21 (j) Beginning on January 1, 1999, the minimum amount of
22 employee's annuity shall be \$850 per month for life for the
23 following classes of employees, without regard to the fact
24 that withdrawal occurred prior to the effective date of this
25 amendatory Act of 1998:

26 (1) any employee annuitant alive and receiving a
27 life annuity on the effective date of this amendatory Act
28 of 1998, except a reciprocal annuity;

29 (2) any employee annuitant alive and receiving a
30 term annuity on the effective date of this amendatory Act
31 of 1998, except a reciprocal annuity;

32 (3) any employee annuitant alive and receiving a
33 reciprocal annuity on the effective date of this
34 amendatory Act of 1998, whose service in this fund is at

1 least 5 years;

2 (4) any employee annuitant withdrawing after age 60
3 on or after the effective date of this amendatory Act of
4 1998, with at least 10 years of service in this fund.

5 The increases granted under items (1), (2) and (3) of
6 this subsection (j) shall not be limited by any other Section
7 of this Act.

8 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
9 90-766, eff. 8-14-98.)

10 (40 ILCS 5/11-134.1) (from Ch. 108 1/2, par. 11-134.1)
11 Sec. 11-134.1. Automatic increase in annuity.

12 (a) An employee who retired or retires from service
13 after December 31, 1963, and before January 1, 1987, having
14 attained age 60 or more, shall, in the month of January of
15 the year following the year in which the first anniversary of
16 retirement occurs, have the amount of his then fixed and
17 payable monthly annuity increased by 1 1/2%, and such first
18 fixed annuity as granted at retirement increased by a further
19 1 1/2% in January of each year thereafter. Beginning with
20 January of the year 1972, such increases shall be at the rate
21 of 2% in lieu of the aforesaid specified 1 1/2%. Beginning
22 January, 1984, such increases shall be at the rate of 3%.
23 Beginning in January of 1999, such increases shall be at the
24 rate of 3% of the currently payable monthly annuity,
25 including any increases previously granted under this
26 Article. An employee who retires on annuity after December
27 31, 1963 and before January 1, 1987, but prior to age 60,
28 shall receive such increases beginning with January of the
29 year immediately following the year in which he attains the
30 age of 60 years.

31 An employee who retires from service on or after January
32 1, 1987 shall, upon the first annuity payment date following
33 the first anniversary of the date of retirement, or upon the

1 first annuity payment date following attainment of age 60,
2 whichever occurs later, have his then fixed and payable
3 monthly annuity increased by 3%, and such annuity shall be
4 increased by an additional 3% of the original fixed annuity
5 on the same date each year thereafter. Beginning in January
6 of 1999, such increases shall be at the rate of 3% of the
7 currently payable monthly annuity, including any increases
8 previously granted under this Article.

9 (a-5) Notwithstanding the provisions of subsection (a),
10 upon the first annuity payment date following (1) the third
11 anniversary of retirement, (2) the attainment of age 53, or
12 (3) the date 60 days after the effective date of this
13 amendatory Act of the 92nd General Assembly, whichever occurs
14 latest, the monthly pension of an employee who retires on
15 annuity prior to the attainment of age 60 who has not
16 received an increase under subsection (a) shall be increased
17 by 3%, and such annuity shall be increased by an additional
18 3% of the current payable monthly annuity, including such
19 increases previously granted under this Article, on the same
20 date each year thereafter. The increases provided under this
21 subsection are in lieu of the increases provided in
22 subsection (a).

23 (b) The foregoing provision is not applicable to an
24 employee retiring and receiving a term annuity, as defined in
25 this Article, nor to any otherwise qualified employee who
26 retires before he shall have made employee contributions (at
27 the 1/2 of 1% rate as hereinafter provided) for the purposes
28 of this additional annuity for not less than the equivalent
29 of one full year. Such employee, however, shall make
30 arrangement to pay to the fund a balance of such 1/2 of 1%
31 contributions, based on his final salary, as will bring such
32 1/2 of 1% contributions, computed without interest, to the
33 equivalent of or completion of one year's contributions.

34 Beginning with the month of January, 1964, each employee

1 shall contribute by means of salary deductions 1/2 of 1% of
2 each salary payment, concurrently with and in addition to the
3 employee contributions otherwise made for annuity purposes.

4 Each such additional employee contribution shall be
5 credited to an account in the prior service annuity reserve,
6 to be used, together with city contributions, to defray the
7 cost of the specified annuity increments. Any balance as of
8 the beginning of each calendar year existing in such account
9 shall be credited with interest at the rate of 3% per annum.

10 Such employee contributions shall not be subject to
11 refund, except to an employee who resigns or is discharged
12 and applies for refund under this Article, and also in cases
13 where a term annuity becomes payable.

14 In such cases the employee contributions shall be
15 refunded him, without interest, and charged to the
16 aforementioned account in the prior service annuity reserve.

17 (Source: P.A. 90-766, eff. 8-14-98.)

18 (40 ILCS 5/11-145.1) (from Ch. 108 1/2, par. 11-145.1)

19 Sec. 11-145.1. Minimum annuities for widows.

20 The widow otherwise eligible for widow's annuity under
21 other Sections of this Article 11, of an employee hereinafter
22 described, who retires from service or dies while in the
23 service subsequent to the effective date of this amendatory
24 provision, and for which widow the amount of widow's annuity
25 and widow's prior service annuity combined, fixed or provided
26 for such widow under other provisions of said Article 11 is
27 less than the amount hereinafter provided in this section,
28 shall, from and after the date her otherwise provided annuity
29 would begin, in lieu of such otherwise provided widow's and
30 widow's prior service annuity, be entitled to the following
31 indicated amount of annuity:

32 (a) The widow of any employee who dies while in service
33 on or after the date on which he attains age 60 if the death

1 occurs before July 1, 1990, or on or after the date on which
2 he attains age 55 if the death occurs on or after July 1,
3 1990, with at least 20 years of service, or on or after the
4 date on which he attains age 50 if the death occurs on or
5 after the effective date of this amendatory Act of 1997 with
6 at least 30 years of service, shall be entitled to an annuity
7 equal to one-half of the amount of annuity which her deceased
8 husband would have been entitled to receive had he withdrawn
9 from the service on the day immediately preceding the date of
10 his death, conditional upon such widow having attained age 60
11 on or before such date if the death occurs before July 1,
12 1990, or age 55 if the death occurs on or after July 1, 1990,
13 or age 50 if the death occurs on or after January 1, 1998 and
14 the employee is age 50 or over with at least 30 years of
15 service or age 55 or over with at least 25 years of service.
16 Except as provided in subsection (j), the widow's annuity
17 shall not, however, exceed the sum of \$500 a month if the
18 employee's death in service occurs before January 23, 1987.
19 The widow's annuity shall not be limited to a maximum dollar
20 amount if the employee's death in service occurs on or after
21 January 23, 1987.

22 If the employee dies in service before July 1, 1990, and
23 if such widow of such described employee shall not be 60 or
24 more years of age on such date of death, the amount provided
25 in the immediately preceding paragraph for a widow 60 or more
26 years of age, shall, in the case of such younger widow, be
27 reduced by 0.25% for each month that her then attained age is
28 less than 60 years if the employee was born before January 1,
29 1936, or dies in service on or after January 1, 1988, or 0.5%
30 for each month that her then attained age is less than 60
31 years if the employee was born on or after January 1, 1936
32 and dies in service before January 1, 1988.

33 If the employee dies in service on or after July 1, 1990,
34 and if the widow of the employee has not attained age 55 on

1 or before the employee's date of death, the amount otherwise
2 provided in this subsection (a) shall be reduced by 0.25% for
3 each month that her then attained age is less than 55 years;
4 except that if the employee dies in service on or after
5 January 1, 1998 at age 50 or over with at least 30 years of
6 service or at age 55 or over with at least 25 years of
7 service, there shall be no reduction due to the widow's age
8 if she has attained age 50 on or before the employee's date
9 of death, and if the widow has not attained age 50 on or
10 before the employee's date of death the amount otherwise
11 provided in this subsection (a) shall be reduced by 0.25% for
12 each month that her then attained age is less than 50 years.

13 (b) The widow of any employee who dies subsequent to the
14 date of his retirement on annuity, and who so retired on or
15 after the date on which he attained age 60 if retirement
16 occurs before July 1, 1990, or on or after the date on which
17 he attained age 55 if retirement occurs on or after July 1,
18 1990, with at least 20 years of service, or on or after the
19 date on which he attained age 50 if the retirement occurs on
20 or after the effective date of this amendatory Act of 1997
21 with at least 30 years of service, shall be entitled to an
22 annuity equal to one-half of the amount of annuity which her
23 deceased husband received as of the date of his retirement on
24 annuity, conditional upon such widow having attained age 60
25 on or before the date of her husband's retirement on annuity
26 if retirement occurs before July 1, 1990, or age 55 if
27 retirement occurs on or after July 1, 1990, or age 50 if the
28 retirement on annuity occurs on or after January 1, 1998 and
29 the employee is age 50 or over with at least 30 years of
30 service or age 55 or over with at least 25 years of service.
31 Except as provided in subsection (j), this widow's annuity
32 shall not, however, exceed the sum of \$500 a month if the
33 employee's death occurs before January 23, 1987. The widow's
34 annuity shall not be limited to a maximum dollar amount if

1 the employee's death occurs on or after January 23, 1987,
2 regardless of the date of retirement; provided that, if
3 retirement was before January 23, 1987, the employee or
4 eligible spouse repays the excess spouse refund with interest
5 at the effective rate from the date of refund to the date of
6 repayment.

7 If the date of the employee's retirement on annuity is
8 before July 1, 1990, and if such widow of such described
9 employee shall not have attained such age of 60 or more years
10 on such date of her husband's retirement on annuity, the
11 amount provided in the immediately preceding paragraph for a
12 widow 60 or more years of age on the date of her husband's
13 retirement on annuity, shall, in the case of such then
14 younger widow, be reduced by 0.25% for each month that her
15 then attained age was less than 60 years if the employee was
16 born before January 1, 1936, or withdraws from service on or
17 after January 1, 1988, or 0.5% for each month that her then
18 attained age was less than 60 years if the employee was born
19 on or after January 1, 1936 and withdraws from service before
20 January 1, 1988.

21 If the date of the employee's retirement on annuity is on
22 or after July 1, 1990, and if the widow of the employee has
23 not attained age 55 by the date of the employee's retirement
24 on annuity, the amount otherwise provided in this subsection
25 (b) shall be reduced by 0.25% for each month that her then
26 attained age is less than 55 years; except that if the
27 employee retires on annuity on or after January 1, 1998 at
28 age 50 or over with at least 30 years of service or at age 55
29 or over with at least 25 years of service, there shall be no
30 reduction due to the widow's age if she has attained age 50
31 on or before the employee's date of death, and if the widow
32 has not attained age 50 on or before the employee's date of
33 death the amount otherwise provided in this subsection (b)
34 shall be reduced by 0.25% for each month that her then

1 attained age is less than 50 years.

2 (c) The foregoing provisions relating to minimum
3 annuities for widows shall not apply to the widow of any
4 former employee receiving an annuity from the fund on August
5 2, 1965 or on the effective date of this amendatory
6 provision, who re-enters service as a former employee, unless
7 such employee renders at least 3 years of additional service
8 after the date of re-entry.

9 (d) (Blank).

10 (e) (Blank).

11 (f) The amendments to this Section by this amendatory
12 Act of 1985, relating to changing the discount because of age
13 from 1/2 of 1% to 0.25% per month for widows of employees
14 born before January 1, 1936, shall apply only to qualifying
15 widows whose husbands die while in the service on or after
16 August 16, 1985 or withdraw and enter on annuity on or after
17 August 16, 1985.

18 (g) Beginning on January 1, 1999, the minimum amount of
19 widow's annuity shall be \$800 per month for life for the
20 following classes of widows, without regard to the fact that
21 the death of the employee occurred prior to the effective
22 date of this amendatory Act of 1998:

23 (1) any widow annuitant alive and receiving a term
24 annuity on the effective date of this amendatory Act of
25 1998, except a reciprocal annuity;

26 (2) any widow annuitant alive and receiving a life
27 annuity on the effective date of this amendatory Act of
28 1998, except a reciprocal annuity;

29 (3) any widow annuitant alive and receiving a
30 reciprocal annuity on the effective date of this
31 amendatory Act of 1998, whose employee spouse's service
32 in this fund was at least 5 years;

33 (4) the widow of an employee with at least 10 years
34 of service in this fund who dies after retirement, if the

1 retirement occurred prior to the effective date of this
2 amendatory Act of 1998;

3 (5) the widow of an employee with at least 10 years
4 of service in this fund who dies after retirement, if
5 withdrawal occurs on or after the effective date of this
6 amendatory Act of 1998;

7 (6) the widow of an employee who dies in service
8 with at least 5 years of service in this fund, if the
9 death in service occurs on or after the effective date of
10 this amendatory Act of 1998.

11 The increases granted under items (1), (2), (3) and (4)
12 of this subsection (g) shall not be limited by any other
13 Section of this Act.

14 (h) The widow of an employee who retired or died in
15 service on or after January 1, 1985 and before July 1, 1990,
16 at age 55 or older, and with at least 35 years of service
17 credit, shall be entitled to have her widow's annuity
18 increased, effective January 1, 1991, to an amount equal to
19 50% of the retirement annuity that the deceased employee
20 received on the date of retirement, or would have been
21 eligible to receive if he had retired on the day preceding
22 the date of his death in service, provided that if the widow
23 had not attained age 60 by the date of the employee's
24 retirement or death in service, the amount of the annuity
25 shall be reduced by 0.25% for each month that her then
26 attained age was less than age 60 if the employee's
27 retirement or death in service occurred on or after January
28 1, 1988, or by 0.5% for each month that her attained age is
29 less than age 60 if the employee's retirement or death in
30 service occurred prior to January 1, 1988. However, in cases
31 where a refund of excess contributions for widow's annuity
32 has been paid by the Fund, the increase in benefit provided
33 by this subsection (h) shall be contingent upon repayment of
34 the refund to the Fund with interest at the effective rate

1 from the date of refund to the date of payment.

2 (i) If a deceased employee is receiving a retirement
3 annuity at the time of death and that death occurs on or
4 after June 27, 1997, the widow may elect to receive, in lieu
5 of any other annuity provided under this Article, 50% of the
6 deceased employee's retirement annuity at the time of death
7 reduced by 0.25% for each month that the widow's age on the
8 date of death is less than 55; except that if the employee
9 dies on or after January 1, 1998 and withdrew from service on
10 or after June 27, 1997 at age 50 or over with at least 30
11 years of service or at age 55 or over with at least 25 years
12 of service, there shall be no reduction due to the widow's
13 age if she has attained age 50 on or before the employee's
14 date of death, and if the widow has not attained age 50 on or
15 before the employee's date of death the amount otherwise
16 provided in this subsection (i) shall be reduced by 0.25% for
17 each month that her age on the date of death is less than 50
18 years. However, in cases where a refund of excess
19 contributions for widow's annuity has been paid by the Fund,
20 the benefit provided by this subsection (i) is contingent
21 upon repayment of the refund to the Fund with interest at the
22 effective rate from the date of refund to the date of
23 payment.

24 (j) For widows of employees who died before January 23,
25 1987 after retirement on annuity or in service, the maximum
26 dollar amount limitation on widow's annuity shall cease to
27 apply, beginning with the first annuity payment after the
28 effective date of this amendatory Act of 1997; except that if
29 a refund of excess contributions for widow's annuity has been
30 paid by the Fund, the increase resulting from this subsection
31 (j) shall not begin before the refund has been repaid to the
32 Fund, together with interest at the effective rate from the
33 date of the refund to the date of repayment.

34 (k) In lieu of any other annuity provided in this

1 Article, an eligible spouse of an employee who dies in
2 service at least 60 days after the effective date of this
3 amendatory Act of the 92nd General Assembly with at least 10
4 years of service shall be entitled to an annuity of 50% of
5 the minimum formula annuity earned and accrued to the credit
6 of the employee at the date of death. For the purposes of
7 this subsection, the minimum formula annuity earned and
8 accrued to the credit of the employee is equal to 2.40% for
9 each year of service of the highest average annual salary for
10 any 4 consecutive years within the last 10 years of service
11 immediately preceding the date of death, up to a maximum of
12 80% of the highest average annual salary. This annuity shall
13 not be reduced due to the age of the employee or spouse. In
14 addition to any other eligibility requirements under this
15 Article, the spouse is eligible for this annuity only if the
16 marriage was in effect for 10 full years or more.

17 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
18 90-766, eff. 8-14-98.)

19 (40 ILCS 5/11-153) (from Ch. 108 1/2, par. 11-153)
20 Sec. 11-153. Child's annuity.

21 (a) A "Child's Annuity" shall be payable monthly after
22 the death of an employee parent to an unmarried child until
23 the child's attainment of age 18 or marriage, whichever event
24 shall first occur, under the following conditions, if the
25 child was born or in esse before the employee attained age
26 65, and before he withdrew from service:

27 (1) ~~upon--death--resulting--from--injury--incurred--in~~
28 ~~the--performance--of--an--act--of--duty;~~

29 {2} upon death in service from any cause other than
30 ~~injury--incurred--in--the--performance--of--duty,~~ if the
31 ~~employee--has--at--least--4--years--of--service--after--the--date~~
32 ~~of--his--original--entry--into--service,~~ and at least 2 years
33 ~~after--the--date--of--his--latest--re--entry;~~

1 ~~(2)~~(3) upon death of an employee who withdraws from
2 service after age 55 (or after age 50 with at least 30
3 years of service if withdrawal is on or after June 27,
4 1997) and who has entered upon or is eligible for
5 annuity.

6 Payment shall be made as provided in Section 11-124.

7 (b) After July 24, 1967, an adopted child shall be
8 entitled to the same child's annuity benefits provided for
9 natural children in this Article, if:

10 (1) the child was legally adopted by the employee
11 at least one year prior to the death of the employee; and

12 (2) the child was adopted before the employee
13 withdrew from service attained-age-55.

14 (Source: P.A. 90-31, eff. 6-27-97; 90-766, eff. 8-14-98.)

15 (40 ILCS 5/11-156) (from Ch. 108 1/2, par. 11-156)

16 Sec. 11-156. Ordinary disability benefit. An employee,
17 while under age 65 and prior to January 1, 1979, or while
18 under age 70 and after January 1, 1979, who becomes disabled
19 after the effective date as the result of any cause other
20 than injury incurred in the performance of any act or acts of
21 duty, shall be entitled to ordinary disability benefit during
22 such disability, after the first 30 days thereof.

23 The disability benefit prescribed herein shall cease when
24 the first of the following dates shall occur and the
25 employee, if still disabled, shall thereafter be entitled to
26 such annuity as is otherwise provided in this Article:

27 (a) the date disability ceases.

28 (b) the date the disabled employee attains age 65 for
29 disability commencing prior to January 1, 1979.

30 (c) the date the disabled employee attains 65 for
31 disability commencing prior to attainment of age 60 in the
32 service and after January 1, 1979.

33 (d) the date the disabled employee attains the age of 70

1 for disability commencing after attainment of age 60 in the
2 service and after January 1, 1979.

3 (e) the date the payments of the benefit shall exceed in
4 the aggregate, throughout the employee's service, a period
5 equal to 1/4 of the total service rendered prior to the date
6 of disability but in no event more than 5 years. In computing
7 such total the following periods shall be excluded:

8 (i) Any period during which the employee received
9 ordinary disability benefit;

10 (ii) Any period of absence from duty, whether caused by
11 layoff, leave of absence or suspension of employment, or any
12 other reason, unless the board, upon satisfactory evidence,
13 finds that the disability resulted from a cause which existed
14 or occurred prior to such period of absence. No employee who
15 becomes disabled and whose disability begins during absence
16 from duty (other than while on vacation with pay) shall have
17 any right to ordinary disability benefit, except as herein
18 provided, until he recovers from such disability and performs
19 the duties of his position in the service for at least 15
20 consecutive days, Sundays and holidays excepted, after such
21 recovery.

22 The first payment shall be made not later than one month
23 after the benefit is granted and each subsequent payment
24 shall be made not later than one month after the last
25 preceding payment.

26 Ordinary disability benefit shall be 50% of the
27 employee's salary at the date of disability.

28 For ordinary disability benefits paid before January 1,
29 2001, before any payment, an amount equal to, less the sum
30 ordinarily deducted from salary for all annuity purposes for
31 such period for which the ordinary disability benefit is made
32 shall be deducted from such payment and credited to the
33 employee as a deduction from salary for that period. The
34 sums so deducted shall be credited to the employee and shall

1 be regarded, for annuity and refund purposes, as an amount
2 contributed by him.

3 For ordinary disability benefits paid on or after January
4 1, 2001, the fund shall credit sums equal to the amounts
5 ordinarily contributed by an employee for annuity purposes
6 for any period during which the employee receives ordinary
7 disability, and those sums shall be deemed for annuity
8 purposes and purposes of Section 11-169 as amounts
9 contributed by the employee. These amounts credited for
10 annuity purposes shall not be credited for refund purposes.

11 Any employee whose ordinary disability benefit was
12 terminated after January 1, 1979 by reason of his attainment
13 of age 65 and who continues disabled after age 65 may elect
14 before July 1, 1986 to have such benefits resumed beginning
15 at the time of such termination and continuing until
16 termination is required under this Section as amended by this
17 amendatory Act of 1985. The amount payable to any employee
18 for such resumed benefit for any period shall be reduced by
19 the amount of any retirement annuity paid to such employee
20 under this Article for the same period of time or by refund
21 paid in lieu of annuity.

22 (Source: P.A. 85-964.)

23 (40 ILCS 5/11-164) (from Ch. 108 1/2, par. 11-164)

24 Sec. 11-164. Refunds - Withdrawal before age 55 or with
25 less than 10 years of service.

26 (1) An employee, without regard to length of service,
27 who withdraws before age 55, and any employee with less than
28 10 years of service who withdraws before age 60, shall be
29 entitled to a refund of the total sum accumulated to his
30 credit as of date of withdrawal for age and service annuity
31 and widow's annuity from amounts contributed by him or by the
32 City in lieu of employee contributions during duty
33 disability; provided that such amounts contributed by the

1 city after December 31, 1983 while the employee is receiving
2 duty disability benefits and amounts credited to the employee
3 for annuity purposes by the fund after December 31, 2000
4 while the employee is receiving ordinary disability benefits
5 shall not be credited for refund purposes.

6 The board may in its discretion withhold payment of
7 refund for a period not to exceed 6 months from the date of
8 withdrawal. Interest at the effective rate shall be paid on
9 any such refund withheld during such withheld period not to
10 exceed 6 months.

11 (2) Upon receipt of the refund, the employee surrenders
12 and forfeits all rights to any annuity or other benefits, for
13 himself and for any other persons who might have benefited
14 through him; provided that he may have such period of service
15 counted in computing the term of his service for age and
16 service annuity purposes only if he becomes an employee
17 before age 65.

18 (3) An employee who does not receive a refund shall have
19 all amounts to his credit for annuity purposes on the date of
20 his withdrawal improved by interest only until he becomes age
21 65, while out of service, at the effective rate, for his
22 benefit and the benefit of any person who may have any right
23 to annuity through him if he re-enters the service and
24 attains a right to annuity.

25 (4) Any such employee shall retain such right to refund
26 of such amounts when he shall apply for same, until he
27 re-enters the service or until the amount of annuity to which
28 he shall have a right shall have been fixed as provided in
29 this Article. Thereafter, no such right shall exist in the
30 case of any such employee.

31 (Source: P.A. 83-499.)

32 (40 ILCS 5/11-167) (from Ch. 108 1/2, par. 11-167)

33 Sec. 11-167. Refunds in lieu of annuity. In lieu of an

1 annuity, an employee who withdraws, and whose annuity would
 2 amount to less than \$800 a month for life may elect to
 3 receive a refund of the total sum accumulated to his credit
 4 from employee contributions for annuity purposes.

5 The widow of any employee, eligible for annuity upon the
 6 death of her husband, whose annuity would amount to less than
 7 \$800 a month for life, may, in lieu of a widow's annuity,
 8 elect to receive a refund of the accumulated contributions
 9 for annuity purposes, based on the amounts contributed by her
 10 deceased employee husband, but reduced by any amounts
 11 theretofore paid to him in the form of an annuity or refund
 12 out of such accumulated contributions.

13 Accumulated contributions shall mean the amounts
 14 including interest credited thereon contributed by the
 15 employee for age and service and widow's annuity to the date
 16 of his withdrawal or death, whichever first occurs, and
 17 including the accumulations from any amounts contributed for
 18 him as salary deductions while receiving duty disability
 19 benefits; provided that such amounts contributed by the city
 20 after December 31, 1983 while the employee is receiving duty
 21 disability benefits and amounts credited to the employee for
 22 annuity purposes by the fund after December 31, 2000 while
 23 the employee is receiving ordinary disability benefits.

24 The acceptance of such refund in lieu of widow's annuity,
 25 on the part of a widow, shall not deprive a child or children
 26 of the right to receive a child's annuity as provided for in
 27 Sections 11-153 and 11-154 of this Article, and neither shall
 28 the payment of a child's annuity in the case of such refund
 29 to a widow reduce the amount herein set forth as refundable
 30 to such widow electing a refund in lieu of widow's annuity.

31 (Source: P.A. 90-655, eff. 7-30-98; 91-887, eff. 7-6-00.)

32 (40 ILCS 5/12-127.7 new)
 33 Sec. 12-127.7. Transfer to Metropolitan Pier and

1 Exposition Authority pension plan.

2 (a) Until July 1, 2002, any member of the management
3 committee of the Metropolitan Pier and Exposition Authority,
4 as designated by the chief executive officer of the
5 Authority, regardless of whether the member is in service
6 under this Article on or after the effective date of this
7 Section, may apply to the Board for transfer of all of his or
8 her creditable service accumulated under this Fund to the
9 pension plan established for employees and officers of the
10 Metropolitan Pier and Exposition Authority. The creditable
11 service shall be transferred in accordance with the terms of
12 that plan and shall be accompanied by a payment from this
13 Fund to that pension plan, consisting of:

14 (1) the amounts accumulated to the credit of the
15 applicant for the service to be transferred, including
16 interest, on the books of the Fund on the date of
17 transfer, but excluding any additional or optional
18 credits, which shall be refunded to the applicant; plus

19 (2) employer contribution credits computed and
20 credited under this Article, including interest, on the
21 books of the Fund on the date the applicant terminated
22 service under the Fund.

23 Participation in this Fund as to the credits transferred
24 under this Section terminates on the date of transfer.

25 (b) For the purpose of transferring credit under this
26 Section, a person may reinstate credits and creditable
27 service terminated upon receipt of a refund, by paying to the
28 Fund, before July 1, 2002, the amount of the refund plus
29 regular interest from the date of the refund to the date of
30 repayment.

31 (40 ILCS 5/13-314) (from Ch. 108 1/2, par. 13-314)

32 Sec. 13-314. Alternative provisions for Water
33 Reclamation District commissioners.

1 (a) Transfer of credits. Any Water Reclamation District
2 commissioner elected by vote of the people and who has
3 elected to participate in this Fund may transfer to this Fund
4 credits and creditable service accumulated under any other
5 pension fund or retirement system established under Articles
6 2 through 18 of this Code, upon payment to the Fund of (1)
7 the amount by which the employer and employee contributions
8 that would have been required if he had participated in this
9 Fund during the period for which credit is being transferred,
10 plus interest, exceeds the amounts actually transferred from
11 such other fund or system to this Fund, plus (2) interest
12 thereon at 6% per year compounded annually from the date of
13 transfer to the date of payment.

14 (a-1) CTA credit. Any Water Reclamation District
15 commissioner elected by vote of the people who has elected to
16 participate in this Fund may establish creditable service in
17 this Fund for up to 14 years of employment with the Chicago
18 Transit Authority for which the commissioner has not
19 established service credit under any other Article of this
20 Code by (1) applying to the Fund in writing before July 1,
21 2002, (2) relinquishing all credit for that employment in the
22 retirement plan established for employees of the Authority,
23 and (3) paying to this Fund (i) the amount of employee and
24 employer contributions that would have been required if he or
25 she had participated in this Fund during the period for which
26 credit is being established, based on the actual salary
27 received for that employment (excluding overtime), plus
28 applicable interest, plus (ii) if the commissioner elects to
29 pay in installments, interest on the unpaid balance at the
30 rate of 6% per year, compounded annually, from the date the
31 first installment payment is due until the date the last
32 installment payment is paid, plus (iii) if the commissioner
33 wishes to have the service credit count toward the
34 alternative annuity under subsection (b), the additional

1 optional contributions required under that subsection. The
2 Fund may accept all or any portion of the required payment in
3 the form of a transfer from the retirement plan established
4 for employees of the Chicago Transit Authority.

5 (b) Alternative annuity. Any participant commissioner
6 may elect to establish alternative credits for an alternative
7 annuity by electing in writing to make additional optional
8 contributions in accordance with this Section and procedures
9 established by the Board. Such commissioner may discontinue
10 making the additional optional contributions by notifying the
11 fund in writing in accordance with this Section and
12 procedures established by the Board.

13 Additional optional contributions for the alternative
14 annuity shall be as follows:

15 (1) For service after the option is elected, an
16 additional contribution of 3% of salary shall be
17 contributed to the Fund on the same basis and under the
18 same conditions as contributions required under Section
19 13-502.

20 (2) For contributions on past service, the
21 additional contribution shall be 3% of the salary for the
22 applicable period of service, plus interest at the annual
23 rate from time to time as determined by the Board,
24 compounded annually from the date of service to the date
25 of payment. Contributions for service before the option
26 is elected may be made in a lump sum payment to the Fund
27 or by contributing to the Fund on the same basis and
28 under the same conditions as contributions required under
29 Section 13-502. All payments for past service must be
30 paid in full before credit is given. No additional
31 optional contributions may be made for any period of
32 service for which credit has been previously forfeited by
33 acceptance of a refund, unless the refund is repaid in
34 full with interest at the rate specified in Section

1 13-603, from the date of refund to the date of repayment.

2 In lieu of the retirement annuity otherwise payable under
3 this Article, any commissioner who has elected to participate
4 in the Fund and make additional optional contributions in
5 accordance with this Section, has attained age 55, and has at
6 least 6 years of service credit, may elect to have the
7 retirement annuity computed as follows: 3% of the
8 participant's average final salary as a commissioner for each
9 of the first 8 years of service credit, plus 4% of such
10 salary for each of the next 4 years of service credit, plus
11 5% of such salary for each year of service credit in excess
12 of 12 years, subject to a maximum of 80% of such salary. To
13 the extent such commissioner has made additional optional
14 contributions with respect to only a portion of years of
15 service credit, the retirement annuity will first be
16 determined in accordance with this Section to the extent such
17 additional optional contributions were made, and then in
18 accordance with the remaining Sections of this Article to the
19 extent of years of service credit with respect to which
20 additional optional contributions were not made. The change
21 in minimum retirement age (from 60 to 55) made by this
22 amendatory Act of 1993 applies to persons who begin receiving
23 a retirement annuity under this Section on or after the
24 effective date of this amendatory Act, without regard to
25 whether they are in service on or after that date.

26 (c) Disability benefits. In lieu of the disability
27 benefits otherwise payable under this Article, any
28 commissioner who (1) has elected to participate in the Fund,
29 and (2) has become permanently disabled and as a consequence
30 is unable to perform the duties of office, and (3) was making
31 optional contributions in accordance with this Section at the
32 time the disability was incurred, may elect to receive a
33 disability annuity calculated in accordance with the formula
34 in subsection (b). For the purposes of this subsection, such

1 commissioner shall be considered permanently disabled only
2 if: (i) disability occurs while in service as a commissioner
3 and is of such a nature as to prevent the reasonable
4 performance of the duties of office at the time; and (ii) the
5 Board has received a written certification by at least 2
6 licensed physicians appointed by it stating that such
7 commissioner is disabled and that the disability is likely to
8 be permanent.

9 (d) Alternative survivor's benefits. In lieu of the
10 survivor's benefits otherwise payable under this Article, the
11 spouse or eligible child of any deceased commissioner who (1)
12 had elected to participate in the Fund, and (2) was either
13 making additional optional contributions on the date of
14 death, or was receiving an annuity calculated under this
15 Section at the time of death, may elect to receive an annuity
16 beginning on the date of the commissioner's death, provided
17 that the spouse and commissioner must have been married on
18 the date of the last termination of a service as commissioner
19 and for a continuous period of at least one year immediately
20 preceding death.

21 The annuity shall be payable beginning on the date of the
22 commissioner's death if the spouse is then age 50 or over, or
23 beginning at age 50 if the age of the spouse is less than 50
24 years. If a minor unmarried child or children of the
25 commissioner, under age 18, also survive, and the child or
26 children are under the care of the eligible spouse, the
27 annuity shall begin as of the date of death of the
28 commissioner without regard to the spouse's age.

29 The annuity to a spouse shall be 66 2/3% of the amount of
30 retirement annuity earned by the commissioner on the date of
31 death, subject to a minimum payment of 10% of salary,
32 provided that if an eligible spouse, regardless of age, has
33 in his or her care at the date of death of the commissioner
34 any unmarried child or children of the commissioner under age

1 18, the minimum annuity shall be 30% of the commissioner's
2 salary, plus 10% of salary on account of each minor child of
3 the commissioner, subject to a combined total payment on
4 account of a spouse and minor children not to exceed 50% of
5 the deceased commissioner's salary. In the event there shall
6 be no spouse of the commissioner surviving, or should a
7 spouse die while eligible minor children still survive the
8 commissioner, each such child shall be entitled to an annuity
9 equal to 20% of salary of the commissioner subject to a
10 combined total payment on account of all such children not to
11 exceed 50% of salary of the commissioner. The salary to be
12 used in the calculation of these benefits shall be the same
13 as that prescribed for determining a retirement annuity as
14 provided in subsection (b) of this Section.

15 Upon the death of a commissioner occurring after
16 termination of a service or while in receipt of a retirement
17 annuity, the combined total payment to a spouse and minor
18 children, or to minor children alone if no eligible spouse
19 survives, shall be limited to 75% of the amount of retirement
20 annuity earned by the commissioner.

21 Adopted children shall have status as natural children of
22 the commissioner only if the proceedings for adoption were
23 commenced at least one year prior to the date of the
24 commissioner's death.

25 Marriage of a child or attainment of age 18, whichever
26 first occurs, shall render the child ineligible for further
27 consideration in the payment of annuity to a spouse or in the
28 increase in the amount thereof. Upon attainment of
29 ineligibility of the youngest minor child of the
30 commissioner, the annuity shall immediately revert to the
31 amount payable upon death of a commissioner leaving no minor
32 children surviving. If the spouse is under age 50 at such
33 time, the annuity as revised shall be deferred until such age
34 is attained.

1 (e) Refunds. Refunds of additional optional
2 contributions shall be made on the same basis and under the
3 same conditions as provided under Section 13-601. Interest
4 shall be credited on the same basis and under the same
5 conditions as for other contributions.

6 Optional contributions shall be accounted for in a
7 separate Commission's Optional Contribution Reserve.
8 Optional contributions under this Section shall be included
9 in the amount of employee contributions used to compute the
10 tax levy under Section 13-503.

11 (f) Effective date. The effective date of this plan of
12 optional alternative benefits and contributions shall be the
13 date upon which approval was received from the U.S. Internal
14 Revenue Service. The plan of optional alternative benefits
15 and contributions shall not be available to any former
16 employee receiving an annuity from the Fund on the effective
17 date, unless said former employee re-enters service and
18 renders at least 3 years of additional service after the date
19 of re-entry as a commissioner.

20 (Source: P.A. 90-12, eff. 6-13-97; 91-887, eff. 7-6-00.)

21 (40 ILCS 5/14-103.05a new)

22 Sec. 14-103.05a. Optional formula employee. "Optional
23 formula employee" means an employee who has elected to
24 participate in the optional retirement formula created under
25 Section 14-110.1 and is employed in a position specified in
26 subsection (a) of Section 14-110.1.

27 (40 ILCS 5/14-103.12) (from Ch. 108 1/2, par. 14-103.12)

28 Sec. 14-103.12. Final average compensation.

29 (a) For retirement and survivor annuities, "final
30 average compensation" means the monthly compensation obtained
31 by dividing the total compensation of an employee during the
32 period of: (1) the 48 consecutive months of service within

1 the last 120 months of service in which the total
2 compensation was the highest, or (2) the total period of
3 service, if less than 48 months, by the number of months of
4 service in such period; provided that for purposes of a
5 retirement annuity the average compensation for the last 12
6 months of the 48-month period shall not exceed the final
7 average compensation by more than 25%.

8 (b) For death and disability benefits, in the case of a
9 full-time employee, "final average compensation" means the
10 greater of (1) the rate of compensation of the employee at
11 the date of death or disability multiplied by 1 in the case
12 of a salaried employee, by 174 in the case of an hourly
13 employee, and by 22 in the case of a per diem employee, or
14 (2) for benefits commencing on or after January 1, 1991,
15 final average compensation as determined under subsection
16 (a).

17 For purposes of this paragraph, full or part-time status
18 shall be certified by the employing agency. Final rate of
19 compensation for a part-time employee shall be the total
20 compensation earned during the last full calendar month prior
21 to the date of death or disability.

22 (c) Notwithstanding the provisions of subsection (a),
23 for the purpose of calculating retirement and survivor
24 annuities of persons with at least 20 years of eligible
25 creditable service as defined in Section 14-110, "final
26 average compensation" means the monthly rate of compensation
27 received by the person on the last day of eligible creditable
28 service (but not to exceed 115% of the average monthly
29 compensation received by the person for the last 24 months of
30 service, unless the person was in service as a State
31 policeman before the effective date of this amendatory Act of
32 1997), or the average monthly compensation received by the
33 person for the last 48 months of service prior to retirement,
34 whichever is greater.

1 (c-5) Notwithstanding the provisions of subsection (a),
2 for the purpose of calculating retirement and survivor
3 annuities of persons with at least 20 years of optional
4 formula creditable service as defined in Section 14-110.1,
5 "final average compensation" means the average monthly
6 compensation received by the person for the 24 highest-paid
7 months (not necessarily consecutive) of optional formula
8 creditable service, if that is higher than the final average
9 compensation otherwise applicable to the person under this
10 Section.

11 (d) Notwithstanding the provisions of subsection (a),
12 for a person who was receiving, on the date of retirement or
13 death, a disability benefit calculated under subdivision
14 (b)(2) of this Section, the final average compensation used
15 to calculate the disability benefit may be used for purposes
16 of calculating the retirement and survivor annuities.

17 (e) In computing the final average compensation, periods
18 of military leave shall not be considered.

19 A person appointed by the Governor to serve on a
20 part-time basis as a paid member of a State board or
21 commission may elect to have all or part of that service
22 excluded from the computation of final average compensation
23 under this Section.

24 (f) The changes to this Section made by this amendatory
25 Act of 1997 (redefining final average compensation for
26 members under the alternative formula) apply to members who
27 retire on or after January 1, 1998, without regard to whether
28 employment terminated before the effective date of this
29 amendatory Act of 1997.

30 (Source: P.A. 90-65, eff. 7-7-97.)

31 (40 ILCS 5/14-104) (from Ch. 108 1/2, par. 14-104)
32 Sec. 14-104. Service for which contributions are
33 permitted. Creditable service shall be granted under this

1 Section for the types of service specified, upon application
2 in writing and payment of the contributions provided for in
3 this Section covering shall- cover the period of service to be
4 granted. Except as otherwise provided in this Section, the
5 contributions shall be based upon the applicant's employee's
6 compensation and the contribution rate applicable to the kind
7 of service credit to be granted, in effect on the date the
8 applicant he last became a member of the System; ~~provided~~
9 ~~that~~ for all employment prior to January 1, 1969, the
10 contribution rate shall be that in effect for a noncovered
11 employee ~~on--the-date-he-last-became-a-member-of-the-System.~~
12 Except as otherwise provided in this Section, contributions
13 permitted under this Section shall include regular interest
14 from the date the applicant an-employee last became a member
15 of the System to the date of payment.

16 These contributions must be paid in full before
17 retirement either in a lump sum or in installment payments in
18 accordance with such rules as may be adopted by the board.

19 A member of this System who is an active contributor to a
20 participating system as defined in Article 20 shall be deemed
21 an employee for the purposes of this Section.

22 (a) Any member may make contributions as required in
23 this Section for any period of service, subsequent to the
24 date of establishment, but prior to the date of membership.

25 (b) Any employee who had been previously excluded from
26 membership because of age at entry and subsequently became
27 eligible may elect to make contributions as required in this
28 Section for the period of service during which he or she was
29 ineligible.

30 (c) An employee of the Department of Insurance who,
31 after January 1, 1944 but prior to becoming eligible for
32 membership, received salary from funds of insurance companies
33 in the process of rehabilitation, liquidation, conservation
34 or dissolution, may elect to make contributions as required

1 in this Section for such service.

2 (d) Any employee who rendered service in a State office
3 to which he or she was elected, or rendered service in the
4 elective office of Clerk of the Appellate Court prior to the
5 date he or she became a member, may make contributions for
6 such service as required in this Section. Any member who
7 served by appointment of the Governor under the Civil
8 Administrative Code of Illinois and did not participate in
9 this System may make contributions as required in this
10 Section for such service.

11 (e) Any person employed by the United States government
12 or any instrumentality or agency thereof from January 1, 1942
13 through November 15, 1946 as the result of a transfer from
14 State service by executive order of the President of the
15 United States shall be entitled to prior service credit
16 covering the period from January 1, 1942 through December 31,
17 1943 as provided for in this Article and to membership
18 service credit for the period from January 1, 1944 through
19 November 15, 1946 by making the contributions required in
20 this Section. A person so employed on January 1, 1944 but
21 whose employment began after January 1, 1942 may qualify for
22 prior service and membership service credit under the same
23 conditions.

24 (f) An employee of the Department of Labor of the State
25 of Illinois who performed services for and under the
26 supervision of that Department prior to January 1, 1944 but
27 who was compensated for those services directly by federal
28 funds and not by a warrant of the Auditor of Public Accounts
29 paid by the State Treasurer may establish credit for such
30 employment by making the contributions required in this
31 Section. An employee of the Department of Agriculture of the
32 State of Illinois, who performed services for and under the
33 supervision of that Department prior to June 1, 1963, but was
34 compensated for those services directly by federal funds and

1 not paid by a warrant of the Auditor of Public Accounts paid
2 by the State Treasurer, and who did not contribute to any
3 other public employee retirement system for such service, may
4 establish credit for such employment by making the
5 contributions required in this Section.

6 (g) Any employee who executed a waiver of membership
7 within 60 days prior to January 1, 1944 may, at any time
8 while in the service of a department, file with the board a
9 rescission of such waiver. Upon making the contributions
10 required by this Section, the member shall be granted the
11 creditable service that would have been received if the
12 waiver had not been executed.

13 (h) Until May 1, 1990, an employee who was employed on a
14 full-time basis by a regional planning commission for at
15 least 5 continuous years may establish creditable service for
16 such employment by making the contributions required under
17 this Section, provided that any credits earned by the
18 employee in the commission's retirement plan have been
19 terminated.

20 (i) Any person who rendered full time contractual
21 services to the General Assembly as a member of a legislative
22 staff may establish service credit for up to 8 years of such
23 services by making the contributions required under this
24 Section, provided that application therefor is made not later
25 than July 1, 1991.

26 (j) By paying the contributions otherwise required under
27 this Section, plus an amount determined by the Board to be
28 equal to the employer's normal cost of the benefit plus
29 interest, an employee may establish service credit for a
30 period of up to 2 years spent in active military service for
31 which he or she does not qualify for credit under Section
32 14-105, provided that (1) the employee he was not
33 dishonorably discharged from such military service, and (2)
34 the amount of service credit established by the employee a

1 member under this subsection (j), when added to the amount of
2 military service credit granted to the employee member under
3 subsection (b) of Section 14-105, shall not exceed 5 years.

4 (k) An employee who was employed on a full-time basis by
5 the Illinois State's Attorneys Association Statewide
6 Appellate Assistance Service LEAA-ILEC grant project prior to
7 the time that project became the State's Attorneys Appellate
8 Service Commission, now the Office of the State's Attorneys
9 Appellate Prosecutor, an agency of State government, may
10 establish creditable service for not more than 60 months
11 service for such employment by making contributions required
12 under this Section.

13 (l) By paying the contributions otherwise required under
14 this Section, plus an amount determined by the Board to be
15 equal to the employer's normal cost of the benefit plus
16 interest, a member may establish service credit for periods
17 of up to 2 years ~~less-than-one-year~~ spent on authorized leave
18 of absence from service, provided that ~~(1)-the-period-of~~
19 ~~leave-began-on-or-after-January-17-1982-and--(2)~~ any credit
20 established by the member for the period of leave in any
21 other public employee retirement system has been terminated.
22 A member may establish service credit under this subsection
23 for more than one period of authorized leave, and in that
24 case the total period of service credit established by the
25 member under this subsection may exceed 2 years ~~one--year~~.
26 In determining the contributions required for establishing
27 service credit under this subsection, the interest shall be
28 calculated from the beginning of the leave of absence to the
29 date of payment.

30 (m) Any person who rendered contractual services to a
31 member of the General Assembly as a worker in the member's
32 district office may establish creditable service for up to 3
33 years of those contractual services by making the
34 contributions required under this Section. The System shall

1 determine a full-time salary equivalent for the purpose of
2 calculating the required contribution. To establish credit
3 under this subsection, the applicant must apply to the System
4 by March 1, 1998.

5 (n) Any person who rendered contractual services to a
6 member of the General Assembly as a worker providing
7 constituent services to persons in the member's district may
8 establish creditable service for up to 8 years of those
9 contractual services by making the contributions required
10 under this Section. The System shall determine a full-time
11 salary equivalent for the purpose of calculating the required
12 contribution. To establish credit under this subsection, the
13 applicant must apply to the System by March 1, 1998.

14 (o) A member who participated in the Illinois
15 Legislative Staff Internship Program, the Graduate Public
16 Service Internship Program, or the Secretary of State's Ira
17 S. Loeb Fellowship Program (formerly known as the One-Year
18 Fellowship Program) may establish creditable service for up
19 to 2 years ~~one-year~~ of that participation by making the
20 contribution required under this Section. The System shall
21 determine a full-time salary equivalent for the purpose of
22 calculating the required contribution. Credit may not be
23 established under this subsection for any period for which
24 service credit is established under any other provision of
25 this Code.

26 (p) A member who participated in the Lieutenant
27 Governor's Fellowship Program may establish creditable
28 service for up to 2 years of that participation by making the
29 contribution required under this Section. The System shall
30 determine a full-time salary equivalent for the purpose of
31 calculating the required contribution. Credit may not be
32 established under this subsection for any period for which
33 service credit is established under any other provision of
34 this Code.

1 (g) By paying the contributions otherwise required under
 2 this Section, plus an amount determined by the Board to be
 3 equal to the employer's normal cost of the benefit plus
 4 interest, an employee may establish service credit for a
 5 period of up to 8 years during which he or she was employed
 6 by the Visually Handicapped Managers of Illinois in a vending
 7 program operated under a contractual agreement with the
 8 Department of Rehabilitation Services.

9 (Source: P.A. 90-32, eff. 6-27-97; 90-448, eff. 8-16-97;
 10 90-511, eff. 8-22-97; 90-655, eff. 7-30-98; 90-766, eff.
 11 8-14-98.)

12 (40 ILCS 5/14-104.12 new)

13 Sec. 14-104.12. Credit for employment with the Illinois
 14 Sports Facilities Authority Board.

15 (a) A person who has service credit in the System and
 16 has not yet begun to receive a retirement annuity may
 17 establish service credit in this System for periods before
 18 the effective date of this Section during which he or she was
 19 employed by the Illinois Sports Facilities Authority Board or
 20 its predecessor entities, provided that the person does not
 21 have credit for those periods in any other public employee
 22 pension fund or retirement system and has terminated
 23 participation with respect to those periods of employment in
 24 any pension or retirement program established by the
 25 Authority or its predecessor entities. A person need not
 26 establish credit for all such periods and may not establish
 27 more than 10 years of service credit under this subsection.
 28 The credit established shall be deemed to relate to the
 29 earliest period for which the credit may be established.

30 In order to establish this credit, the person must apply
 31 in writing to the Board and pay to the System an amount equal
 32 to the sum of: (i) employee contributions based upon the
 33 period of credit to be established, the employee contribution

1 rate in effect at the time of application, and the
 2 applicant's salary rate on the last day of service in the
 3 System before his or her employment with the Authority, or
 4 the first day of service in the System after that employment,
 5 whichever is higher; (ii) the employer's normal cost of the
 6 benefits accrued for the credit being established, as
 7 determined by the Board; and (iii) regular interest on items
 8 (i) and (ii) from the date of the service for which credit is
 9 being established to the date of payment. The applicant must
 10 pay the required contribution to the System before the
 11 retirement annuity begins.

12 (b) A person wishing to establish service credit under
 13 subsection (a) may reinstate creditable service terminated
 14 upon receipt of a refund in accordance with the provisions of
 15 Section 14-130(b).

16 (c) An eligible person may establish service credit
 17 under subsection (a) without returning to active service as
 18 an employee under this Article, but the required
 19 contributions must be received by the System before the
 20 person begins to receive a retirement annuity under this
 21 Article.

22 (40 ILCS 5/14-105.1) (from Ch. 108 1/2, par. 14-105.1)
 23 Sec. 14-105.1. Transfer by member of General Assembly
 24 Retirement System.

25 (a) Any active (and until February 1, 1993, any former)
 26 member of the General Assembly Retirement System may apply
 27 for transfer of his or her credits and creditable service
 28 accumulated under this System to ~~the-General-Assembly-System~~
 29 ~~or~~ a Fund established under Article 5 or 12 of this Code.
 30 Such credits and creditable service shall be transferred
 31 forthwith. Payment by this System to ~~the--General--Assembly~~
 32 ~~Retirement--System--or~~ the Fund established under Article 5 or
 33 12 shall be made at the same time and shall consist of:

1 (1) the amounts accumulated to the credit of the
2 applicant, including regular interest, on the books of
3 the System on the date of transfer; and

4 (2) employer contributions in an amount equal to
5 the amount of member contributions as determined under
6 subparagraph (1).

7 Participation in this System as to any credits transferred
8 under this Section shall terminate on the date of transfer.

9 (a-5) Any active member of the General Assembly
10 Retirement System may apply for transfer of all or any
11 portion of his or her credits and creditable service
12 accumulated under this System to the General Assembly
13 Retirement System. Payment by this System to the General
14 Assembly Retirement System shall be made at the same time and
15 shall consist of:

16 (1) the amounts accumulated to the credit of the
17 applicant for the credits to be transferred, including
18 regular interest, on the books of the System on the date
19 of transfer; and

20 (2) employer contributions in an amount equal to
21 the amount of member contributions as determined under
22 item (1).

23 Participation in this System as to any credits transferred
24 under this subsection shall terminate on the date of
25 transfer.

26 (b) An active (and until February 1, 1993, a former)
27 member of the General Assembly who has service credits and
28 creditable service under the System may establish additional
29 service credits and creditable service for periods during
30 which he was an elected official and could have elected to
31 participate but did not so elect. Service credits and
32 creditable service may be established by payment to the
33 System of an amount equal to the contributions he or she
34 would have made if he or she had elected to participate, plus

1 regular interest to the date of payment.

2 (c) An active (and until February 1, 1993, a former)
3 member of the General Assembly Retirement System may
4 reinstate service and service credits terminated upon receipt
5 of a separation benefit, by payment to the System of the
6 amount of the separation benefit plus regular interest
7 thereon to the date of payment.

8 (Source: P.A. 86-27; 86-273; 86-1028; 86-1488; 87-794.)

9 (40 ILCS 5/14-105.7)

10 Sec. 14-105.7. Transfer to Article 9 fund.

11 (a) Until July 1, 2002 ~~1998~~, any active or inactive
12 member of the System who has established creditable service
13 under paragraph (i) of Section 14-104 (relating to
14 contractual service to the General Assembly) and is an active
15 or former contributor to the pension fund established under
16 Article 9 of this Code may apply to the Board for transfer of
17 all of his or her creditable service accumulated under this
18 System to the Article 9 fund. The creditable service shall
19 be transferred forthwith. Payment by this System to the
20 Article 9 fund shall be made at the same time and shall
21 consist of:

22 (1) the amounts accumulated to the credit of the
23 applicant for that service, including regular interest,
24 on the books of the System on the date of transfer; plus

25 (2) employer contributions in an amount equal to
26 the amount determined under item (1).

27 Participation in this System as to the credits transferred
28 under this Section terminates on the date of transfer.

29 (b) Any person transferring credit under this Section
30 may reinstate credits and creditable service terminated upon
31 receipt of a refund, by paying to the System, before July 1,
32 2002 ~~1998~~, the amount of the refund plus regular interest
33 from the date of refund to the date of payment.

1 (c) The changes to this Section and Section 9-121.15
2 made by this amendatory Act of the 92nd General Assembly
3 apply without regard to whether the person is in active
4 service, under this System or the Article 9 Fund, on or after
5 the effective date of this amendatory Act.

6 (Source: P.A. 90-511, eff. 8-22-97.)

7 (40 ILCS 5/14-105.8 new)

8 Sec. 14-105.8. Transfer to Metropolitan Pier and
9 Exposition Authority pension plan.

10 (a) Until July 1, 2002, any member of the management
11 committee of the Metropolitan Pier and Exposition Authority,
12 as designated by the chief executive officer of the
13 Authority, regardless of whether the member is in service
14 under this Article on or after the effective date of this
15 Section, may apply to the Board for transfer of all of his or
16 her creditable service accumulated under this System to the
17 pension plan established for employees and officers of the
18 Metropolitan Pier and Exposition Authority. The creditable
19 service shall be transferred in accordance with the terms of
20 that plan and shall be accompanied by a payment from this
21 System to that pension plan, consisting of:

22 (1) the amounts accumulated to the credit of the
23 applicant for the service to be transferred, including
24 regular interest, on the books of the System on the date
25 of transfer; plus

26 (2) employer contributions in an amount equal to
27 the amount determined under item (1).

28 Participation in this System as to the credits transferred
29 under this Section terminates on the date of transfer.

30 (b) For the purpose of transferring credit under this
31 Section, a person may reinstate credits and creditable
32 service terminated upon receipt of a refund, by paying to the
33 System, before July 1, 2002, the amount of the refund plus

1 regular interest from the date of the refund to the date of
2 repayment.

3 (40 ILCS 5/14-108) (from Ch. 108 1/2, par. 14-108)
4 Sec. 14-108. Amount of retirement annuity. A member who
5 has contributed to the System for at least 12 months shall be
6 entitled to a prior service annuity for each year of
7 certified prior service credited to him, except that a member
8 shall receive 1/3 of the prior service annuity for each year
9 of service for which contributions have been made and all of
10 such annuity shall be payable after the member has made
11 contributions for a period of 3 years. Proportionate amounts
12 shall be payable for service of less than a full year after
13 completion of at least 12 months.

14 The total period of service to be considered in
15 establishing the measure of prior service annuity shall
16 include service credited in the Teachers' Retirement System
17 of the State of Illinois and the State Universities
18 Retirement System for which contributions have been made by
19 the member to such systems; provided that at least 1 year of
20 the total period of 3 years prescribed for the allowance of a
21 full measure of prior service annuity shall consist of
22 membership service in this system for which credit has been
23 granted.

24 (a) In the case of a member who retires on or after
25 January 1, 1998 and is a noncovered employee, the retirement
26 annuity for membership service and prior service shall be
27 2.2% of final average compensation for each year of service.
28 Any service credit established as a covered employee shall be
29 computed as stated in paragraph (b).

30 (b) In the case of a member who retires on or after
31 January 1, 1998 and is a covered employee, the retirement
32 annuity for membership service and prior service shall be
33 computed as stated in paragraph (a) for all service credit

1 established as a noncovered employee; for service credit
2 established as a covered employee it shall be 1.67% of final
3 average compensation for each year of service.

4 (c) For a member retiring after attaining age 55 but
5 before age 60 with at least 30 but less than 35 years of
6 creditable service if retirement is before January 1, 2001,
7 or with at least 25 but less than 30 years of creditable
8 service if retirement is on or after January 1, 2001, the
9 retirement annuity shall be reduced by 1/2 of 1% for each
10 month that the member's age is under age 60 at the time of
11 retirement.

12 (d) A retirement annuity shall not exceed 75% of final
13 average compensation, subject to such extension as may result
14 from the application of Section 14-114 or Section 14-115.

15 (e) The retirement annuity payable to any covered
16 employee who is a member of the System and in service on
17 January 1, 1969, or in service thereafter in 1969 as a result
18 of legislation enacted by the Illinois General Assembly
19 transferring the member to State employment from county
20 employment in a county Department of Public Aid in counties
21 of 3,000,000 or more population, under a plan of coordination
22 with the Old Age, Survivors and Disability provisions
23 thereof, if not fully insured for Old Age Insurance payments
24 under the Federal Old Age, Survivors and Disability Insurance
25 provisions at the date of acceptance of a retirement annuity,
26 shall not be less than the amount for which the member would
27 have been eligible if coordination were not applicable.

28 (f) The retirement annuity payable to any covered
29 employee who is a member of the System and in service on
30 January 1, 1969, or in service thereafter in 1969 as a result
31 of the legislation designated in the immediately preceding
32 paragraph, if fully insured for Old Age Insurance payments
33 under the Federal Social Security Act at the date of
34 acceptance of a retirement annuity, shall not be less than an

1 amount which when added to the Primary Insurance Benefit
2 payable to the member upon attainment of age 65 under such
3 Federal Act, will equal the annuity which would otherwise be
4 payable if the coordinated plan of coverage were not
5 applicable.

6 (g) In the case of a member who is a noncovered
7 employee, the retirement annuity for membership service as a
8 security employee of the Department of Corrections or
9 security employee of the Department of Human Services shall
10 be 1.9% of final average compensation for each of the first
11 10 years of service, 2.1% for each of the next 10 years of
12 service, 2.25% for each year of service in excess of 20 but
13 not exceeding 30, and 2.5% for each year in excess of 30;
14 except that the annuity may be calculated under subsection
15 (a) rather than this subsection (g) if the resulting annuity
16 is greater.

17 (h) In the case of a member who is a covered employee,
18 the retirement annuity for membership service as a security
19 employee of the Department of Corrections or security
20 employee of the Department of Human Services shall be 1.67%
21 of final average compensation for each of the first 10 years
22 of service, 1.90% for each of the next 10 years of service,
23 2.10% for each year of service in excess of 20 but not
24 exceeding 30, and 2.30% for each year in excess of 30.

25 (i) For the purposes of this Section and Section 14-133
26 of this Act, the term "security employee of the Department of
27 Corrections" and the term "security employee of the
28 Department of Human Services" shall have the meanings
29 ascribed to them in subsection (c) of Section 14-110.

30 (j) The retirement annuity computed pursuant to
31 paragraphs (g) or (h) shall be applicable only to those
32 security employees of the Department of Corrections and
33 security employees of the Department of Human Services who
34 have at least 20 years of membership service and who are not

1 eligible for the alternative retirement annuity provided
 2 under Section 14-110. However, persons transferring to this
 3 System under Section 14-108.2 who have service credit under
 4 Article 16 of this Code may count such service toward
 5 establishing their eligibility under the 20-year service
 6 requirement of this subsection; but such service may be used
 7 only for establishing such eligibility, and not for the
 8 purpose of increasing or calculating any benefit.

9 (k) In the case of a member who has optional formula
 10 creditable service as defined in Section 14-110.1 but does
 11 not qualify for the optional formula retirement annuity
 12 provided under that Section, the portion of the retirement
 13 annuity based on optional formula creditable service shall
 14 consist of 3% of final average compensation for each year of
 15 optional formula creditable service; and the remainder of the
 16 retirement annuity shall be calculated as otherwise provided
 17 in this Section. The total retirement annuity shall be
 18 subject to a maximum of 80% of the member's final average
 19 compensation and shall be subject to the other provisions and
 20 conditions applicable to retirement annuities calculated
 21 under this Section. {Blank}-

22 (l) The changes to this Section made by this amendatory
 23 Act of 1997 (changing certain retirement annuity formulas
 24 from a stepped rate to a flat rate) apply to members who
 25 retire on or after January 1, 1998, without regard to whether
 26 employment terminated before the effective date of this
 27 amendatory Act of 1997. An annuity shall not be calculated
 28 in steps by using the new flat rate for some steps and the
 29 superseded stepped rate for other steps of the same type of
 30 service.

31 (Source: P.A. 90-65, eff. 7-7-97; 90-448, eff. 8-16-97;
 32 90-655, eff. 7-30-98; 91-927, eff. 12-14-00.)

33 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

1 Sec. 14-110. Alternative retirement annuity.

2 (a) Any member who has withdrawn from service with not
3 less than 20 years of eligible creditable service and has
4 attained age 55, and any member who has withdrawn from
5 service with not less than 25 years of eligible creditable
6 service and has attained age 50, regardless of whether the
7 attainment of either of the specified ages occurs while the
8 member is still in service, shall be entitled to receive at
9 the option of the member, in lieu of the regular or minimum
10 retirement annuity, a retirement annuity computed as
11 follows:

12 (i) for periods of service as a noncovered
13 employee, 2 1/4% of final average compensation for each
14 of the first 10 years of creditable service, 2 1/2% for
15 each year above 10 years to and including 20 years of
16 creditable service, and 2 3/4% for each year of
17 creditable service above 20 years; and

18 (ii) for periods of eligible creditable service as
19 a covered employee, 1.67% of final average compensation
20 for each of the first 10 years of such service, 1.90% for
21 each of the next 10 years of such service, 2.10% for each
22 year of such service in excess of 20 but not exceeding
23 30, and 2.30% for each year in excess of 30.

24 Such annuity shall be subject to a maximum of 75% of
25 final average compensation. These rates shall not be
26 applicable to any service performed by a member as a covered
27 employee which is not eligible creditable service. Service
28 as a covered employee which is not eligible creditable
29 service shall be subject to the rates and provisions of
30 Section 14-108.

31 (b) For the purpose of this Section, "eligible
32 creditable service" means creditable service resulting from
33 service in one or more of the following positions:

34 (1) State policeman;

1 (2) fire fighter in the fire protection service of
2 a department;

3 (3) air pilot;

4 (4) special agent;

5 (5) investigator for the Secretary of State;

6 (6) conservation police officer;

7 (7) investigator for the Department of Revenue;

8 (8) security employee of the Department of Human
9 Services;

10 (9) Central Management Services security police
11 officer;

12 (10) security employee of the Department of
13 Corrections;

14 (11) dangerous drugs investigator;

15 (12) investigator for the Department of State
16 Police;

17 (13) investigator for the Office of the Attorney
18 General;

19 (14) controlled substance inspector;

20 (15) investigator for the Office of the State's
21 Attorneys Appellate Prosecutor;

22 (16) Commerce Commission police officer;

23 (17) arson investigator;

24 (18) CMS automotive mechanic.

25 A person employed in one of the positions specified in
26 this subsection is entitled to eligible creditable service
27 for service credit earned under this Article while undergoing
28 the basic police training course approved by the Illinois Law
29 Enforcement Training Standards Board, if completion of that
30 training is required of persons serving in that position.
31 For the purposes of this Code, service during the required
32 basic police training course shall be deemed performance of
33 the duties of the specified position, even though the person
34 is not a sworn peace officer at the time of the training.

1 (c) For the purposes of this Section:

2 (1) The term "state policeman" includes any title
3 or position in the Department of State Police that is
4 held by an individual employed under the State Police
5 Act.

6 (2) The term "fire fighter in the fire protection
7 service of a department" includes all officers in such
8 fire protection service including fire chiefs and
9 assistant fire chiefs.

10 (3) The term "air pilot" includes any employee
11 whose official job description on file in the Department
12 of Central Management Services, or in the department by
13 which he is employed if that department is not covered by
14 the Personnel Code, states that his principal duty is the
15 operation of aircraft, and who possesses a pilot's
16 license; however, the change in this definition made by
17 this amendatory Act of 1983 shall not operate to exclude
18 any noncovered employee who was an "air pilot" for the
19 purposes of this Section on January 1, 1984. The term
20 "air pilot" also includes any person employed by the
21 Illinois Department of Transportation in the position of
22 flight safety coordinator or Bureau Chief of Air
23 Operations.

24 (4) The term "special agent" means any person who
25 by reason of employment by the Division of Narcotic
26 Control, the Bureau of Investigation or, after July 1,
27 1977, the Division of Criminal Investigation, the
28 Division of Internal Investigation, the Division of
29 Operations, or any other Division or organizational
30 entity in the Department of State Police is vested by law
31 with duties to maintain public order, investigate
32 violations of the criminal law of this State, enforce the
33 laws of this State, make arrests and recover property.
34 The term "special agent" includes any title or position

1 in the Department of State Police that is held by an
2 individual employed under the State Police Act.

3 (5) The term "investigator for the Secretary of
4 State" means any person employed by the Office of the
5 Secretary of State and vested with such investigative
6 duties as render him ineligible for coverage under the
7 Social Security Act by reason of Sections 218(d)(5)(A),
8 218(d)(8)(D) and 218(1)(1) of that Act.

9 A person who became employed as an investigator for
10 the Secretary of State between January 1, 1967 and
11 December 31, 1975, and who has served as such until
12 attainment of age 60, either continuously or with a
13 single break in service of not more than 3 years
14 duration, which break terminated before January 1, 1976,
15 shall be entitled to have his retirement annuity
16 calculated in accordance with subsection (a),
17 notwithstanding that he has less than 20 years of credit
18 for such service.

19 (6) The term "Conservation Police Officer" means
20 any person employed by the Division of Law Enforcement of
21 the Department of Natural Resources and vested with such
22 law enforcement duties as render him ineligible for
23 coverage under the Social Security Act by reason of
24 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of
25 that Act. The term "Conservation Police Officer"
26 includes the positions of Chief Conservation Police
27 Administrator and Assistant Conservation Police
28 Administrator.

29 (7) The term "investigator for the Department of
30 Revenue" means any person employed by the Department of
31 Revenue and vested with such investigative duties as
32 render him ineligible for coverage under the Social
33 Security Act by reason of Sections 218(d)(5)(A),
34 218(d)(8)(D) and 218(1)(1) of that Act.

1 (8) The term "security employee of the Department
2 of Human Services" means any person employed by the
3 Department of Human Services who is employed at the
4 Chester Mental Health Center and has daily contact with
5 the residents thereof, or who is a mental health police
6 officer. "Mental health police officer" means any person
7 employed by the Department of Human Services in a
8 position pertaining to the Department's mental health and
9 developmental disabilities functions who is vested with
10 such law enforcement duties as render the person
11 ineligible for coverage under the Social Security Act by
12 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
13 218(1)(1) of that Act.

14 (9) "Central Management Services security police
15 officer" means any person employed by the Department of
16 Central Management Services who is vested with such law
17 enforcement duties as render him ineligible for coverage
18 under the Social Security Act by reason of Sections
19 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

20 (10) The term "security employee of the Department
21 of Corrections" means any employee of the Department of
22 Corrections or the former Department of Personnel, and
23 any member or employee of the Prisoner Review Board, who
24 has daily contact with inmates by working within a
25 correctional facility or who is a parole officer or an
26 employee who has direct contact with committed persons in
27 the performance of his or her job duties.

28 (11) The term "dangerous drugs investigator" means
29 any person who is employed as such by the Department of
30 Human Services.

31 (12) The term "investigator for the Department of
32 State Police" means a person employed by the Department
33 of State Police who is vested under Section 4 of the
34 Narcotic Control Division Abolition Act with such law

1 enforcement powers as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

4 (13) "Investigator for the Office of the Attorney
5 General" means any person who is employed as such by the
6 Office of the Attorney General and is vested with such
7 investigative duties as render him ineligible for
8 coverage under the Social Security Act by reason of
9 Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that
10 Act. For the period before January 1, 1989, the term
11 includes all persons who were employed as investigators
12 by the Office of the Attorney General, without regard to
13 social security status.

14 (14) "Controlled substance inspector" means any
15 person who is employed as such by the Department of
16 Professional Regulation and is vested with such law
17 enforcement duties as render him ineligible for coverage
18 under the Social Security Act by reason of Sections
19 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
20 The term "controlled substance inspector" includes the
21 Program Executive of Enforcement and the Assistant
22 Program Executive of Enforcement.

23 (15) The term "investigator for the Office of the
24 State's Attorneys Appellate Prosecutor" means a person
25 employed in that capacity on a full time basis under the
26 authority of Section 7.06 of the State's Attorneys
27 Appellate Prosecutor's Act.

28 (16) "Commerce Commission police officer" means any
29 person employed by the Illinois Commerce Commission who
30 is vested with such law enforcement duties as render him
31 ineligible for coverage under the Social Security Act by
32 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
33 218(1)(1) of that Act.

34 (17) "Arson investigator" means any person who is

1 employed as such by the Office of the State Fire Marshal
2 and is vested with such law enforcement duties as render
3 the person ineligible for coverage under the Social
4 Security Act by reason of Sections 218(d)(5)(A),
5 218(d)(8)(D), and 218(1)(1) of that Act. A person who
6 was employed as an arson investigator on January 1, 1995
7 and is no longer in service but not yet receiving a
8 retirement annuity may convert his or her creditable
9 service for employment as an arson investigator into
10 eligible creditable service by paying to the System the
11 difference between the employee contributions actually
12 paid for that service and the amounts that would have
13 been contributed if the applicant were contributing at
14 the rate applicable to persons with the same social
15 security status earning eligible creditable service on
16 the date of application.

17 (18) The term "CMS automotive mechanic" means a
18 person who is employed by the Department of Central
19 Management Services at a correctional facility in the
20 position of automotive mechanic or automotive shop
21 supervisor.

22 (d) A security employee of the Department of
23 Corrections, and a security employee of the Department of
24 Human Services who is not a mental health police officer,
25 shall not be eligible for the alternative retirement annuity
26 provided by this Section unless he or she meets the following
27 minimum age and service requirements at the time of
28 retirement:

29 (i) 25 years of eligible creditable service and age
30 55; or

31 (ii) beginning January 1, 1987, 25 years of
32 eligible creditable service and age 54, or 24 years of
33 eligible creditable service and age 55; or

34 (iii) beginning January 1, 1988, 25 years of

1 eligible creditable service and age 53, or 23 years of
2 eligible creditable service and age 55; or

3 (iv) beginning January 1, 1989, 25 years of
4 eligible creditable service and age 52, or 22 years of
5 eligible creditable service and age 55; or

6 (v) beginning January 1, 1990, 25 years of eligible
7 creditable service and age 51, or 21 years of eligible
8 creditable service and age 55; or

9 (vi) beginning January 1, 1991, 25 years of
10 eligible creditable service and age 50, or 20 years of
11 eligible creditable service and age 55.

12 Persons who have service credit under Article 16 of this
13 Code for service as a security employee of the Department of
14 Corrections in a position requiring certification as a
15 teacher may count such service toward establishing their
16 eligibility under the service requirements of this Section;
17 but such service may be used only for establishing such
18 eligibility, and not for the purpose of increasing or
19 calculating any benefit.

20 (e) If a member enters military service while working in
21 a position in which eligible creditable service may be
22 earned, and returns to State service in the same or another
23 such position, and fulfills in all other respects the
24 conditions prescribed in this Article for credit for military
25 service, such military service shall be credited as eligible
26 creditable service for the purposes of the retirement annuity
27 prescribed in this Section.

28 (f) For purposes of calculating retirement annuities
29 under this Section, periods of service rendered after
30 December 31, 1968 and before October 1, 1975 as a covered
31 employee in the position of special agent, conservation
32 police officer, mental health police officer, or investigator
33 for the Secretary of State, shall be deemed to have been
34 service as a noncovered employee, provided that the employee

1 pays to the System prior to retirement an amount equal to (1)
2 the difference between the employee contributions that would
3 have been required for such service as a noncovered employee,
4 and the amount of employee contributions actually paid, plus
5 (2) if payment is made after July 31, 1987, regular interest
6 on the amount specified in item (1) from the date of service
7 to the date of payment.

8 For purposes of calculating retirement annuities under
9 this Section, periods of service rendered after December 31,
10 1968 and before January 1, 1982 as a covered employee in the
11 position of investigator for the Department of Revenue shall
12 be deemed to have been service as a noncovered employee,
13 provided that the employee pays to the System prior to
14 retirement an amount equal to (1) the difference between the
15 employee contributions that would have been required for such
16 service as a noncovered employee, and the amount of employee
17 contributions actually paid, plus (2) if payment is made
18 after January 1, 1990, regular interest on the amount
19 specified in item (1) from the date of service to the date of
20 payment.

21 For purposes of calculating retirement annuities under
22 this Section, periods of service rendered as a covered
23 employee of the Office of the State Fire Marshal in the
24 position of arson investigator shall be deemed to have been
25 service as a noncovered employee, provided that the employee
26 pays to the System prior to retirement an amount equal to (1)
27 the difference between the employee contributions that would
28 have been required for such service as a noncovered employee
29 and the amount of employee contributions actually paid, plus
30 (2) if payment is made after January 1, 2003, regular
31 interest on the amount specified in item (1) from the date of
32 service to the date of payment.

33 (g) Subject to the limitation in subsection (i), any
34 active member of the System who is employed in a position for

1 which he or she earns eligible creditable service may elect
2 to establish eligible creditable service for up to 12 years
3 of his or her service as a policeman under Article 3 or 5, a
4 sheriff's law enforcement employee or municipal conservator
5 of the peace under Article 7, a member of the County Police
6 Department under Article 9, or a police officer under Article
7 15 by filing a written election with the Board and paying to
8 the System no later than the day of withdrawal an amount to
9 be determined by the System, equal to the deficiency, if any,
10 between (i) the amount transferred to the System under
11 Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.6 and
12 (ii) the amount that would have been contributed to the
13 System had employer and employee contributions been made for
14 the transferred service at the rates applicable to State
15 policemen, including interest thereon at the effective rate
16 for each year, compounded annually, from the date of service
17 to the date of payment.

18 ~~A--State--policeman--may--elect,--not--later--than--January--1,~~
19 ~~1990,--to--establish--eligible--creditable--service--for--up--to--10~~
20 ~~years--of--his--service--as--a--policeman--under--Article--3,--by~~
21 ~~filing--a--written--election--with--the--Board,--accompanied--by~~
22 ~~payment--of--an--amount--to--be--determined--by--the--Board,--equal--to~~
23 ~~(i)--the--difference--between--the--amount--of--employee--and~~
24 ~~employer--contributions--transferred--to--the--System--under~~
25 ~~Section--3-110.5,--and--the--amounts--that--would--have--been~~
26 ~~contributed--had--such--contributions--been--made--at--the--rates~~
27 ~~applicable--to--State--policemen,--plus--(ii)--interest--thereon--at~~
28 ~~the--effective--rate--for--each--year,--compounded--annually,--from~~
29 ~~the--date--of--service--to--the--date--of--payment.~~

30 ~~Subject--to--the--limitation--in--subsection--(i),--a--State~~
31 ~~policeman--may--elect,--not--later--than--July--1,--1993,--to~~
32 ~~establish--eligible--creditable--service--for--up--to--10--years--of~~
33 ~~his--service--as--a--member--of--the--County--Police--Department--under~~
34 ~~Article--9,--by--filing--a--written--election--with--the--Board,~~

1 accompanied--by--payment--of--an--amount--to--be--determined--by--the
 2 Board, equal to (i) the--difference--between--the--amount--of
 3 employee--and--employer--contributions--transferred--to--the--System
 4 under--Section--9-121.10--and--the--amounts--that--would--have--been
 5 contributed--had--those--contributions--been--made--at--the--rates
 6 applicable--to--State--policemen, plus (ii) interest--thereon--at
 7 the--effective--rate--for--each--year, compounded--annually,--from
 8 the--date--of--service--to--the--date--of--payment.

9 (h) Subject to the limitation in subsection (i), a State
 10 policeman may elect, not later than July 1, 2002, to
 11 establish eligible creditable service for up to 12 years of
 12 his or her service as a Metropolitan Enforcement Group agent
 13 employed by a municipal police department under Article 7 or
 14 as a police officer under Article 15 by filing a written
 15 election with the Board, accompanied by payment of an amount
 16 to be determined by the Board, equal to (i) the difference
 17 between the amount of employee and employer contributions
 18 transferred to the System under Section 7-139.7(c) or
 19 15-134.6 and the amounts that would have been contributed had
 20 those contributions been made at the rates then applicable to
 21 persons earning eligible creditable service, plus (ii)
 22 interest thereon at the effective rate for each year,
 23 compounded annually, from the date of service to the date of
 24 payment.

25 Subject--to--the--limitation--in--subsection--(i), a State
 26 policeman--or--investigator--for--the--Secretary--of--State--may
 27 elect--to--establish--eligible--creditable--service--for--up--to--12
 28 years--of--his--service--as--a--policeman--under--Article--5,--by
 29 filing--a--written--election--with--the--Board--on--or--before--January
 30 31,--1992,--and--paying--to--the--System--by--January--31,--1994--an
 31 amount--to--be--determined--by--the--Board, equal--to--(i)--the
 32 difference--between--the--amount--of--employee--and--employer
 33 contributions--transferred--to--the--System--under--Section--5-236,
 34 and--the--amounts--that--would--have--been--contributed--had--such

1 contributions--been--made--at--the--rates--applicable--to--State
 2 policemen, plus--(ii)--interest--thereon--at--the--effective--rate
 3 for--each--year, compounded--annually, from--the--date--of--service
 4 to--the--date--of--payment.

5 Subject--to--the--limitation--in--subsection--(i), a--State
 6 policeman, conservation--police--officer, or--investigator--for
 7 the--Secretary--of--State--may--elect--to--establish--eligible
 8 creditable--service--for--up--to--10--years--of--service--as--a
 9 sheriff's--law--enforcement--employee--under--Article--7, by--filing
 10 a--written--election--with--the--Board--on--or--before--January--31,
 11 1993, and--paying--to--the--System--by--January--31, 1994--an--amount
 12 to--be--determined--by--the--Board, equal--to--(i)--the--difference
 13 between--the--amount--of--employee--and--employer--contributions
 14 transferred--to--the--System--under--Section--7-139.7, and--the
 15 amounts--that--would--have--been--contributed--had--such
 16 contributions--been--made--at--the--rates--applicable--to--State
 17 policemen, plus--(ii)--interest--thereon--at--the--effective--rate
 18 for--each--year, compounded--annually, from--the--date--of--service
 19 to--the--date--of--payment.

20 (i) The total amount of eligible creditable service
 21 established by any person under subsections (g), (h), (j),
 22 (k), and (l) of this Section shall not exceed 12 years.

23 (j) Subject to the limitation in subsection (i) of this
 24 Section, an alternative formula employee may elect to
 25 establish eligible creditable service for periods spent as a
 26 full-time law enforcement officer employed by the Chicago
 27 Transit Authority for which credit is not held in any other
 28 public employee pension fund or retirement system. To obtain
 29 this credit, the applicant must (1) irrevocably relinquish
 30 any credits that the applicant may have for the relevant
 31 period in the retirement system established under Section
 32 22-101 of this Code, (2) file a written application with the
 33 Board within 90 days after the effective date of this
 34 amendatory Act of the 92nd General Assembly, accompanied by

1 evidence of eligibility acceptable to the Board, and (3) pay
 2 to the System before retirement an amount to be determined by
 3 the Board, equal to (i) employee contributions for the credit
 4 being established, based upon the applicant's salary on the
 5 first day as an alternative formula employee after the
 6 employment for which credit is being established and the
 7 rates then applicable to an alternative formula employee,
 8 plus (ii) an amount determined by the Board to be the
 9 employer's normal cost of the benefits accrued for the credit
 10 being established, plus (iii) regular interest on the amounts
 11 in items (i) and (ii) from the first day as an alternative
 12 formula employee after the employment for which credit is
 13 being established to the date of payment.

14 Subject--to--the--limitation--in--subsection--(i),--an
 15 investigator--for--the--Office--of--the--State's--Attorneys
 16 Appellate-Prosecutor-or-a-controlled-substance-inspector--may
 17 elect--to--establish-eligible-creditable-service-for-up-to-10
 18 years-of-his-service-as-a-policeman--under--Article--3--or--a
 19 sheriff's-law-enforcement-employee-under-Article-7,--by-filing
 20 a--written-election-with-the-Board,--accompanied-by-payment-of
 21 an-amount-to-be-determined-by-the-Board,--equal--to--(1)--the
 22 difference--between--the--amount--of--employee--and--employer
 23 contributions-transferred-to-the-System-under-Section-3-110.6
 24 or--7-139.8,--and-the-amounts-that-would-have-been-contributed
 25 had-such-contributions-been-made-at-the-rates--applicable--to
 26 State--policemen,--plus--(2)--interest-thereon-at-the-effective
 27 rate-for-each-year,--compounded-annually,--from--the--date--of
 28 service-to-the-date-of-payment.

29 (k) Subject to the limitation in subsection (i) of this
 30 Section, an alternative formula employee may elect to
 31 establish eligible creditable service for periods spent as a
 32 full-time law enforcement officer or full-time corrections
 33 officer employed by the federal government or by a state or
 34 local government located outside of Illinois, for which

1 credit is not held in any other public employee pension fund
 2 or retirement system. To obtain this credit, the applicant
 3 must file a written application with the Board by March 31,
 4 1998, accompanied by evidence of eligibility acceptable to
 5 the Board and payment of an amount to be determined by the
 6 Board, equal to (1) employee contributions for the credit
 7 being established, based upon the applicant's salary on the
 8 first day as an alternative formula employee after the
 9 employment for which credit is being established and the
 10 rates then applicable to alternative formula employees, plus
 11 (2) an amount determined by the Board to be the employer's
 12 normal cost of the benefits accrued for the credit being
 13 established, plus (3) regular interest on the amounts in
 14 items (1) and (2) from the first day as an alternative
 15 formula employee after the employment for which credit is
 16 being established to the date of payment.

17 (1) (Blank). ~~Subject to the limitation in subsection~~
 18 ~~(i), a security employee of the Department of Corrections may~~
 19 ~~elect, not later than July 1, 1998, to establish eligible~~
 20 ~~creditable service for up to 10 years of his or her service~~
 21 ~~as a policeman under Article 3, by filing a written election~~
 22 ~~with the Board, accompanied by payment of an amount to be~~
 23 ~~determined by the Board, equal to (i) the difference between~~
 24 ~~the amount of employee and employer contributions transferred~~
 25 ~~to the System under Section 3-110.5, and the amounts that~~
 26 ~~would have been contributed had such contributions been made~~
 27 ~~at the rates applicable to security employees of the~~
 28 ~~Department of Corrections, plus (ii) interest thereon at the~~
 29 ~~effective rate for each year, compounded annually, from the~~
 30 ~~date of service to the date of payment.~~

31 (Source: P.A. 90-32, eff. 6-27-97; 91-357, eff. 7-29-99;
 32 91-760, eff. 1-1-01.)

1 Sec. 14-110.1. Optional formula retirement annuity.

2 (a) An employee, other than a contractual employee, who
3 meets the eligibility requirements set forth in subsection

4 (b) and is serving as:

5 (1) an employee of (i) the President, Minority
6 Leader, or Secretary of the Senate or the Senate
7 Operations Commission, (ii) the Speaker, Minority Leader,
8 or Clerk of the House of Representatives, or (iii) any
9 member of the General Assembly, if the employee is paid
10 out of the member's office allowance under Section 4 of
11 the General Assembly Compensation Act,

12 (2) Clerk or Assistant Clerk of the House of
13 Representatives or Secretary or Assistant Secretary of
14 the Senate,

15 (3) an employee of the Executive Office of the
16 Governor,

17 (4) Secretary, Associate Secretary, or Division
18 Manager of the General Assembly Retirement System,

19 (5) Executive Director or Deputy Director of the
20 Legislative Reference Bureau,

21 (6) Chief of Staff in the Office of the Lieutenant
22 Governor,

23 (7) Auditor General or Deputy Auditor General, or

24 (8) Director or Deputy Director of the Bureau of
25 the Budget

26 may elect to become an optional formula employee while
27 thenceforth engaged in such service by filing a written
28 election with the board on or before the first day of the
29 13th month following the month in which this amendatory Act
30 of the 92nd General Assembly takes effect.

31 (b) To be eligible to make the election under subsection
32 (a), the person must (1) be employed on January 15, 2001 in
33 one of the positions described in items (1) through (3) of
34 subsection (a) or on February 15, 2001 in one of the

1 positions described in items (4) through (8) of subsection
2 (a); (2) be earning, on the date of election, a salary at
3 least equal to the minimum salary provided by law for new
4 members of the General Assembly; and (3) have completed, on
5 or before the date of election, a total of at least 8 years
6 of employment described in one or any combination of the
7 following:

8 (i) employment in any of the positions described in
9 items (1) through (8) of subsection (a) or as a member of
10 the General Assembly,

11 (ii) employment as chief of staff or assistant
12 comptroller, legislative director, deputy legislative
13 director, legal counsel, or executive assistant to the
14 legal counsel, for any State constitutional officer
15 included in subsection (b) of Section 2-105,

16 (iii) performance of contractual services for a
17 legislative leader, or

18 (iv) service as the director of a department
19 organized under the Civil Administrative Code of
20 Illinois.

21 (c) For an employee who has made the election under
22 subsection (a), all creditable service in this System earned
23 as an optional formula employee and all creditable service in
24 this System derived from employment prior to the date of that
25 election shall be deemed optional formula creditable service.

26 (d) A member who has attained age 55 and has at least 20
27 years of optional formula creditable service may elect, in
28 lieu of any other retirement annuity under this Article, to
29 receive an optional formula retirement annuity consisting of
30 3% of final average compensation for each year of optional
31 formula creditable service, subject to a maximum of 80% of
32 the member's final average compensation. The formula in this
33 subsection does not apply to any service that is not optional
34 formula creditable service.

1 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)

2 Sec. 14-111. Re-entry after retirement.

3 (a) An annuitant who re-enters the service of a
4 department and receives compensation on a regular payroll
5 shall receive no payments of the retirement annuity during
6 the time he is so employed, with the following exceptions:

7 (1) An annuitant who is employed by a department
8 while he or she is a continuing participant in the
9 General Assembly Retirement System under Sections 2-117.1
10 and 14-105.4 will not be considered to have made a
11 re-entry after retirement within the meaning of this
12 Section for the duration of such continuing
13 participation. Any person who is a continuing
14 participant under Sections 2-117.1 and 14-105.4 on the
15 effective date of this amendatory Act of 1991 and whose
16 retirement annuity has been suspended under this Section
17 shall be entitled to receive from the System a sum equal
18 to the annuity payments that have been withheld under
19 this Section, and shall receive the benefit of this
20 amendment without regard to Section 1-103.1.

21 (2) An annuitant who accepts temporary employment
22 from such a department for a period not exceeding 75
23 working days in any calendar year is not considered to
24 make a re-entry after retirement within the meaning of
25 this Section. Any part of a day on temporary employment
26 is considered a full day of employment.

27 (b) If such person re-enters the service of a
28 department, not as a temporary employee, contributions to the
29 System shall begin as of the date of re-employment and
30 additional creditable service shall begin to accrue. He
31 shall assume the status of a member entitled to all rights
32 and privileges in the System, including death and disability
33 benefits, excluding a refund of contributions.

34 Upon subsequent retirement, his retirement annuity shall

1 consist of:

2 (1) the amounts of the annuities terminated by
3 re-entry into service; and

4 (2) the amount of the additional retirement annuity
5 earned by the member during the period of additional
6 membership service, which shall not be subject to
7 reversionary annuity, if any.

8 The total retirement annuity shall not, however, exceed
9 the maximum applicable to the member at the time of the
10 subsequent ~~original~~ retirement. In the computation of any
11 such retirement annuity, the time that the member was on
12 retirement shall not interrupt the continuity of service for
13 the computation of final average compensation and the
14 additional membership service shall be considered, together
15 with service rendered before the previous retirement, in
16 establishing final average compensation.

17 A person who re-enters the service of a department within
18 3 years after retiring may qualify to have the retirement
19 annuity computed as though the member had not previously
20 retired by paying to the System, within 5 years after
21 re-entry and prior to subsequent retirement, in a lump sum or
22 in installment payments in accordance with such rules as may
23 be adopted by the Board, an amount equal to all retirement
24 payments received, including any payments received in
25 accordance with subsection (c) or (d) of Section 14-130, plus
26 regular interest from the date retirement payments were
27 suspended to the date of repayment.

28 (Source: P.A. 86-1488; 87-794.)

29 (40 ILCS 5/14-114) (from Ch. 108 1/2, par. 14-114)

30 Sec. 14-114. Automatic increase in retirement annuity.

31 (a) Any person receiving a retirement annuity under this
32 Article who retires having attained age 60, or who retires
33 before age 60 having at least 35 years of creditable service,

1 or who retires on or after January 1, 2001 at an age which,
2 when added to the number of years of his or her creditable
3 service, equals at least 85, shall, on January 1 next
4 following the first full year of retirement, have the amount
5 of the then fixed and payable monthly retirement annuity
6 increased 3%. Any person receiving a retirement annuity
7 under this Article who retires before attainment of age 60
8 and with less than (i) 35 years of creditable service if
9 retirement is before January 1, 2001, or (ii) the number of
10 years of creditable service which, when added to the member's
11 age, would equal 85, if retirement is on or after January 1,
12 2001, shall have the amount of the fixed and payable
13 retirement annuity increased by 3% on the January 1 occurring
14 on or next following (1) attainment of age 60, or (2) the
15 first anniversary of retirement, whichever occurs later.
16 However, for persons who receive the alternative retirement
17 annuity under Section 14-110 or the optional formula
18 retirement annuity under Section 14-110.1, references in this
19 subsection (a) to attainment of age 60 shall be deemed to
20 refer to attainment of age 55. For a person receiving early
21 retirement incentives under Section 14-108.3 whose retirement
22 annuity began after January 1, 1992 pursuant to an extension
23 granted under subsection (e) of that Section, the first
24 anniversary of retirement shall be deemed to be January 1,
25 1993.

26 On each January 1 following the date of the initial
27 increase under this subsection, the employee's monthly
28 retirement annuity shall be increased by an additional 3%.

29 Beginning January 1, 1990, all automatic annual increases
30 payable under this Section shall be calculated as a
31 percentage of the total annuity payable at the time of the
32 increase, including previous increases granted under this
33 Article.

34 (b) The provisions of subsection (a) of this Section

1 shall be applicable to an employee only if the employee makes
2 the additional contributions required after December 31, 1969
3 for the purpose of the automatic increases for not less than
4 the equivalent of one full year. If an employee becomes an
5 annuitant before his additional contributions equal one full
6 year's contributions based on his salary at the date of
7 retirement, the employee may pay the necessary balance of the
8 contributions to the system, without interest, and be
9 eligible for the increasing annuity authorized by this
10 Section.

11 (c) The provisions of subsection (a) of this Section
12 shall not be applicable to any annuitant who is on retirement
13 on December 31, 1969, and thereafter returns to State
14 service, unless the member has established at least one year
15 of additional creditable service following reentry into
16 service.

17 (d) In addition to other increases which may be provided
18 by this Section, on January 1, 1981 any annuitant who was
19 receiving a retirement annuity on or before January 1, 1971
20 shall have his retirement annuity then being paid increased
21 \$1 per month for each year of creditable service. On January
22 1, 1982, any annuitant who began receiving a retirement
23 annuity on or before January 1, 1977, shall have his
24 retirement annuity then being paid increased \$1 per month for
25 each year of creditable service.

26 On January 1, 1987, any annuitant who began receiving a
27 retirement annuity on or before January 1, 1977, shall have
28 the monthly retirement annuity increased by an amount equal
29 to 8¢ per year of creditable service times the number of
30 years that have elapsed since the annuity began.

31 (e) Every person who receives the alternative retirement
32 annuity under Section 14-110 and who is eligible to receive
33 the 3% increase under subsection (a) on January 1, 1986,
34 shall also receive on that date a one-time increase in

1 retirement annuity equal to the difference between (1) his
 2 actual retirement annuity on that date, including any
 3 increases received under subsection (a), and (2) the amount
 4 of retirement annuity he would have received on that date if
 5 the amendments to subsection (a) made by Public Act 84-162
 6 had been in effect since the date of his retirement.

7 (Source: P.A. 91-927, eff. 12-14-00.)

8 (40 ILCS 5/14-120) (from Ch. 108 1/2, par. 14-120)
 9 Sec. 14-120. Survivors annuities - Conditions for
 10 payments. A survivors annuity is established for all members
 11 of the System. Upon the death of any male person who was a
 12 member on July 19, 1961, however, his widow may have the
 13 option of receiving the widow's annuity provided in this
 14 Article, in lieu of the survivors annuity.

15 (a) A survivors annuity beneficiary, as herein defined,
 16 is eligible for a survivors annuity if the deceased member
 17 had completed at least 1 1/2 years of contributing creditable
 18 service if death occurred:

- 19 (1) while in service;
- 20 (2) while on an approved or authorized leave of
 21 absence from service, not exceeding one year
 22 continuously; or
- 23 (3) while in receipt of a non-occupational
 24 disability or an occupational disability benefit.

25 (b) If death of the member occurs after withdrawal, the
 26 survivors annuity beneficiary is eligible for such annuity
 27 only if the member had fulfilled at the date of withdrawal
 28 the prescribed service conditions for establishing a right in
 29 a retirement annuity.

30 (c) Payment of the survivors annuity shall begin
 31 immediately if the beneficiary is 50 years or over, or upon
 32 attainment of age 50 if the beneficiary is under that age at
 33 the date of the member's death. In the case of survivors of a

1 member whose death occurred between November 1, 1970 and July
2 15, 1971, the payment of the survivors annuity shall begin
3 upon October 1, 1977, if the beneficiary is then 50 years of
4 age or older, or upon the attainment of age 50 if the
5 beneficiary is under that age on October 1, 1977.

6 If an eligible child or children, under the care of the
7 spouse also survive the member, the survivors annuity shall
8 begin immediately without regard to whether the beneficiary
9 has attained age 50.

10 Benefits under this Section shall accrue and be payable
11 for whole calendar months, beginning on the first day of the
12 month after the initiating event occurs and ending on the
13 last day of the month in which the terminating event occurs.

14 (d) A survivor annuity beneficiary means:

15 (1) A spouse of a member or annuitant if:

16 (i) in the case of a member or annuitant who
17 dies before the effective date of this amendatory
18 Act of the 91st General Assembly, the current
19 marriage with the member or annuitant was in effect
20 for at least one year at the date of death or
21 withdrawal, whichever first occurs; or

22 (ii) in the case of a member or annuitant who
23 dies on or after the effective date of this
24 amendatory Act of the 91st General Assembly, the
25 current marriage with the member or annuitant was in
26 effect for at least one year immediately prior to
27 the date of death, regardless of the date of
28 withdrawal.

29 (2) An unmarried child under age 18 (under age 22
30 if a full-time student) of the member or annuitant; an
31 unmarried stepchild under age 18 (under age 22 if a
32 full-time student) who has been such for at least one
33 year at the date of the member's death or at least one
34 year at the date of withdrawal, whichever first occurs;

1 an unmarried adopted child under age 18 (under age 22 if
2 a full-time student) if the adoption proceedings were
3 initiated at least one year prior to the death or
4 withdrawal of the member or annuitant, whichever first
5 occurs; and an unmarried child over age 18 if he or she
6 is dependent by reason of a physical or mental
7 disability, so long as the physical or mental disability
8 continues. For purposes of this subsection, disability
9 means inability to engage in any substantial gainful
10 activity by reason of any medically determinable physical
11 or mental impairment which can be expected to result in
12 death or which has lasted or can be expected to last for
13 a continuous period of not less than 12 months.

14 (3) A dependent parent of the member or annuitant;
15 a dependent step-parent by a marriage contracted before
16 the member or annuitant attained age 18; or a dependent
17 adopting parent by whom the member or annuitant was
18 adopted before he or she attained age 18.

19 (e) Payment of a survivors annuity to a beneficiary
20 terminates upon: (1) remarriage before age 55 (for periods
21 prior to July 6, 2000) ~~that-occurs-before-the-effective-date~~
22 ~~of-this-amendatory-Act-of-the-91st-General-Assembly~~ or death,
23 if the beneficiary is a spouse; (2) marriage or death, if the
24 beneficiary is a child; or (3) remarriage before age 55 or
25 death, if the beneficiary is a parent. Remarriage of a
26 prospective beneficiary prior to the attainment of age 50
27 disqualifies the beneficiary for the annuity expectancy
28 hereunder until July 6, 2000, ~~-if-the-remarriage-occurs-before~~
29 ~~the-effective-date-of-this-amendatory-Act-of-the-91st-General~~
30 ~~Assembly.~~ Termination due to marriage or remarriage of a
31 child or parent shall be permanent, regardless of any future
32 changes in marital status.

33 A surviving spouse whose survivor's annuity has been
34 terminated due to remarriage may apply for reinstatement of

1 that annuity. The reinstated annuity shall begin to accrue
2 on July 6, 2000, except that if, on July 6, 2000, the annuity
3 is payable to an eligible surviving child or parent, payment
4 of the annuity to the surviving spouse shall not be
5 reinstated until the annuity is no longer payable to any
6 eligible surviving child or parent. The reinstated annuity
7 shall include any one-time or annual increases received prior
8 to the date of termination, as well as any increases that
9 would otherwise have accrued from the date of termination to
10 the date of reinstatement. An eligible surviving spouse
11 whose expectation of receiving a survivor's annuity was lost
12 due to remarriage before attainment of age 50 shall also be
13 entitled to reinstatement under this subsection, but the
14 resulting survivor's annuity shall not begin to accrue sooner
15 than upon the surviving spouse's attainment of age 50.

16 The substantive changes made to this subsection by Public
17 Act 91-887 and this amendatory Act of the 92nd 91st General
18 Assembly (pertaining to remarriage ~~prior-to-age-55-or-50~~)
19 apply without regard to whether the deceased participant or
20 annuitant was in service on or after the effective date of
21 either this amendatory Act.

22 Any person whose survivors annuity was terminated during
23 1978 or 1979 due to remarriage at age 55 or over shall be
24 eligible to apply, not later than July 1, 1990, for a
25 resumption of that annuity, to begin on July 1, 1990.

26 (f) The term "dependent" relating to a survivors annuity
27 means a beneficiary of a survivors annuity who was receiving
28 from the member at the date of the member's death at least
29 1/2 of the support for maintenance including board, lodging,
30 medical care and like living costs.

31 (g) If there is no eligible spouse surviving the member,
32 or if a survivors annuity beneficiary includes a spouse who
33 dies or is disqualified by remarriage, the annuity is payable
34 to an unmarried child or children. If at the date of death

1 of the member there is no spouse or unmarried child, payments
2 shall be made to a dependent parent or parents. If no
3 eligible survivors annuity beneficiary survives the member,
4 the non-occupational death benefit is payable in the manner
5 provided in this Article.

6 (h) Survivor benefits do not affect any reversionary
7 annuity.

8 (i) If a survivors annuity beneficiary becomes entitled
9 to a widow's annuity or one or more survivors annuities or
10 both such annuities, the beneficiary shall elect to receive
11 only one of such annuities.

12 (j) Contributing creditable service under the State
13 Universities Retirement System and the Teachers' Retirement
14 System of the State of Illinois shall be considered in
15 determining whether the member has met the contributing
16 service requirements of this Section.

17 (k) In lieu of the Survivor's Annuity described in this
18 Section, the spouse of the member has the option to select
19 the Nonoccupational Death Benefit described in this Article,
20 provided the spouse is the sole survivor and the sole
21 nominated beneficiary of the member.

22 (l) The changes made to this Section and Sections
23 14-118, 14-119, and 14-128 by this amendatory Act of 1997,
24 relating to benefits for certain unmarried children who are
25 full-time students under age 22, apply without regard to
26 whether the deceased member was in service on or after the
27 effective date of this amendatory Act of 1997. These changes
28 do not authorize the repayment of a refund or a re-election
29 of benefits, and any benefit or increase in benefits
30 resulting from these changes is not payable retroactively for
31 any period before the effective date of this amendatory Act
32 of 1997.

33 (Source: P.A. 90-448, eff. 8-16-97; 91-357, eff. 7-29-99;
34 91-887, eff. 7-6-00.)

1 (40 ILCS 5/14-123.1) (from Ch. 108 1/2, par. 14-123.1)
2 Sec. 14-123.1. Temporary disability benefit.

3 (a) A member who has at least 18 months of creditable
4 service and who becomes physically or mentally incapacitated
5 to perform the duties of his position shall receive a
6 temporary disability benefit, provided that:

7 (1) the agency responsible for determining the
8 liability of the State (i) has formally denied all
9 employer-paid temporary total disability benefits under
10 the Workers' Compensation Act or the Workers'
11 Occupational Diseases Act and an appeal of that denial is
12 pending before the Industrial Commission of Illinois, or
13 (ii) has granted and then terminated for any reason an
14 employer-paid temporary total disability benefit and the
15 member has filed a petition for emergency hearing under
16 Section 19(b-1) of the Workers' Compensation Act or
17 Section 19(b-1) of the Workers' Occupational Diseases
18 Act; and

19 (2) application is made not later than (i) 12
20 months after the date that the disability results in loss
21 of pay, (ii) 12 months after the date the agency
22 responsible for determining the liability of the State
23 under the Workers' Compensation Act or Workers'
24 Occupational Diseases Act has formally denied or
25 terminated the employer-paid temporary total disability
26 benefit, or (iii) in the case of termination of an
27 employer-paid temporary total disability benefit, 12
28 months after the effective date of this amendatory Act of
29 1995, whichever occurs last; and

30 (3) proper proof is received from one or more
31 physicians designated by the Board certifying that the
32 member is mentally or physically incapacitated.

33 (b) In the case of a denial of benefits, the temporary
34 disability benefit shall begin to accrue on the 31st day of

1 absence from work on account of disability, but the benefit
2 shall not become actually payable to the member until the
3 expiration of 31 days from the day upon which the member last
4 received or had a right to receive any compensation.

5 In the case of termination of an employer-paid temporary
6 total disability benefit, the temporary disability benefit
7 under this Section shall be calculated from the day following
8 the date of termination of the employer-paid benefit or the
9 31st day of absence from work on account of disability,
10 whichever is later, but shall not become payable to the
11 member until (i) the member's right to an employer-paid
12 temporary total disability benefit is denied as a result of
13 the emergency hearing held under Section 19(b-1) of the
14 Workers' Compensation Act or Section 19(b-1) of the Workers'
15 Occupational Diseases Act or (ii) the expiration of 150 days
16 from the date of termination of the employer-paid benefit,
17 whichever occurs first. If a terminated employer-paid
18 temporary total disability benefit is resumed or replaced
19 with another employer-paid disability benefit and the resumed
20 or replacement benefit is later terminated and the member
21 again files a petition for emergency hearing under Section
22 19(b-1) of the Workers' Compensation Act or Section 19(b-1)
23 of the Workers' Occupational Diseases Act, the member may
24 again become eligible to receive a temporary disability
25 benefit under this Section. The waiting period before the
26 temporary disability benefit under this Section becomes
27 payable applies each time that the benefit is reinstated.

28 The benefit shall continue to accrue until the first of
29 the following events occurs:

- 30 (1) the disability ceases;
- 31 (2) the member engages in gainful employment;
- 32 (3) the end of the month in which the member
33 attains age 65, in the case of benefits commencing prior
34 to attainment of age 60;

1 (4) the end of the month following the fifth
2 anniversary of the effective date of the benefit in the
3 case of benefits commencing on or after attainment of age
4 60;

5 (5) the end of the month in which the death of the
6 member occurs;

7 (6) the end of the month in which the aggregate
8 period for which temporary disability payments have been
9 made becomes equal to 1/2 of the member's total period of
10 creditable service, not including the time for which he
11 has received a temporary disability benefit or
12 nonoccupational disability benefit; for purposes of this
13 item (6) only, in the case of a member to whom Section
14 14-108.2a or 14-108.2b applies and who, at the time
15 disability commences, is performing services for the
16 Illinois Department of Public Health or the Department of
17 State Police relating to the transferred functions
18 referred to in that Section and has less than 10 years of
19 creditable service under this Article, the member's
20 "total period of creditable service" shall be augmented
21 by an amount equal to (i) one half of the member's period
22 of creditable service in the Fund established under
23 Article 8 (excluding any creditable service over 20
24 years), minus (ii) the amount of the member's creditable
25 service under this Article;

26 (7) a payment is made on the member's claim
27 pursuant to a determination made by the agency
28 responsible for determining the liability of the State
29 under the Workers' Compensation Act or the Workers'
30 Occupational Diseases Act;

31 (8) a final determination is made on the member's
32 claim by the Industrial Commission of Illinois.

33 (c) The temporary disability benefit shall be 50% of the
34 member's final average compensation at the date of

1 disability.

2 If a covered employee is eligible under the Social
3 Security Act for a disability benefit--before--attaining--age
4 65, or a retirement benefit ~~on-or-after-attaining-age-65,~~
5 then the amount of the member's temporary disability benefit
6 shall be reduced by the amount of primary benefit the member
7 is eligible to receive under the Social Security Act, whether
8 or not such eligibility came about as the result of service
9 as a covered employee under this Article. The Board may make
10 such reduction pending a determination of eligibility if it
11 appears that the employee may be so eligible, and shall make
12 an appropriate adjustment if necessary after such
13 determination has been made. The amount of temporary
14 disability benefit payable under this Article shall not be
15 reduced by reason of any increase in benefits payable under
16 the Social Security Act which occurs after the reduction
17 required by this paragraph has been applied.

18 (d) The temporary disability benefit provided under this
19 Section is intended as a temporary payment of occupational or
20 nonoccupational disability benefit, whichever is appropriate,
21 in cases in which the occupational or nonoccupational
22 character of the disability has not been finally determined.

23 When an employer-paid disability benefit is paid or
24 resumed, the Board shall calculate the benefit that is
25 payable under Section 14-123 and shall deduct from the
26 benefit payable under Section 14-123 the amounts already paid
27 under this Section; those amounts shall then be treated as if
28 they had been paid under Section 14-123.

29 When a final determination of the character of the
30 disability has been made by the Industrial Commission of
31 Illinois, or by settlement between the parties to the
32 disputed claim, the Board shall calculate the benefit that is
33 payable under Section 14-123 or 14-124, whichever is
34 applicable, and shall deduct from such benefit the amounts

1 already paid under this Section; such amounts shall then be
2 treated as if they had been paid under such Section 14-123 or
3 14-124.

4 (e) Any excess benefits paid under this Section shall be
5 subject to recovery by the System from benefits payable under
6 the Workers' Compensation Act or the Workers' Occupational
7 Diseases Act or from third parties as provided in Section
8 14-129, or from any other benefits payable either to the
9 member or on his behalf under this Article. A member who
10 accepts benefits under this Section acknowledges and
11 authorizes these recovery rights of the System.

12 (f) Service credits under the State Universities
13 Retirement System and the Teachers' Retirement System of the
14 State of Illinois shall be considered for the purposes of
15 determining temporary disability benefit eligibility under
16 this Section, and for determining the total period of time
17 for which such benefits are payable.

18 (g) The Board shall prescribe rules and regulations
19 governing the filing of claims for temporary disability
20 benefits, and the investigation, control and supervision of
21 such claims.

22 (h) References in this Section to employer-paid benefits
23 include benefits paid for by the State, either directly or
24 through a program of insurance or self-insurance, whether
25 paid through the member's own department or through some
26 other department or entity; but the term does not include
27 benefits paid by the System under this Article.

28 (Source: P.A. 88-535; 89-136, eff. 7-14-95; 89-246, eff.
29 8-4-95; 89-626, eff. 8-9-96.)

30 (40 ILCS 5/14-125) (from Ch. 108 1/2, par. 14-125)
31 Sec. 14-125. Nonoccupational disability benefit - amount
32 ef. The nonoccupational disability benefit shall be 50% of
33 the member's final average compensation at the time

1 disability occurred. In the case of a member whose benefit
2 was resumed due to the same disability, the amount of the
3 benefit shall be the same as that last paid before resumption
4 of State employment. In the event that a temporary
5 disability benefit has been received, the nonoccupational
6 disability benefit shall be subject to adjustment by the
7 Board under Section 14-123.1.

8 If a covered employee is eligible for a disability
9 ~~benefit-before-attaining-age-65~~ or a retirement benefit ~~on-or~~
10 ~~after-attaining-age-65~~ under the federal Social Security Act,
11 the amount of the member's nonoccupational disability benefit
12 shall be reduced by the amount of primary benefit the member
13 would be eligible to receive under such Act, whether or not
14 entitlement thereto came about as the result of service as a
15 covered employee under this Article. The Board may make such
16 reduction if it appears that the employee may be so eligible
17 pending determination of eligibility and make an appropriate
18 adjustment if necessary after such determination. The amount
19 of any nonoccupational disability benefit payable under this
20 Article shall not be reduced by reason of any increase under
21 the Federal Social Security Act which occurs after the offset
22 required by this Section is first applied to that benefit.

23 (Source: P.A. 84-1028.)

24 (40 ILCS 5/14-128) (from Ch. 108 1/2, par. 14-128)

25 Sec. 14-128. Occupational death benefit. An
26 occupational death benefit is provided for a member of the
27 System whose death, prior to retirement, is the proximate
28 result of bodily injuries sustained or a hazard undergone
29 while in the performance and within the scope of the member's
30 duties.

31 (a) Conditions for payment.

32 Exclusive of the lump sum payment provided for herein,
33 all annuities under this Section shall accrue and be payable

1 for complete calendar months, beginning on the first day of
2 the month next following the month in which the initiating
3 event occurs and ending on the last day of the month in which
4 the terminating event occurs.

5 The following named survivors of the member may be
6 eligible for an annuity under this Section:

7 (i) The member's spouse.

8 (ii) An unmarried child of the member under age 18
9 (under age 22 if a full-time student); an unmarried
10 stepchild under age 18 (under age 22 if a full-time
11 student) who has been such for at least one year at the
12 date of the member's death; an unmarried adopted child
13 under age 18 (under age 22 if a full-time student) if the
14 adoption proceedings were initiated at least one year
15 prior to the death of the member; and an unmarried child
16 over age 18 who is dependent by reason of a physical or
17 mental disability, for so long as such physical or mental
18 disability continues. For the purposes of this Section
19 disability means inability to engage in any substantial
20 gainful activity by reason of any medically determinable
21 physical or mental impairment which can be expected to
22 result in death or which has lasted or can be expected to
23 last for a continuous period of not less than 12 months.

24 (iii) If no spouse or eligible children survive: a
25 dependent parent of the member; a dependent step-parent
26 by a marriage contracted before the member attained age
27 18; or a dependent adopting parent by whom the member was
28 adopted before he or she attained age 18.

29 The term "dependent" relating to an occupational death
30 benefit means a survivor of the member who was receiving from
31 the member at the date of the member's death at least 1/2 of
32 the support for maintenance including board, lodging, medical
33 care and like living costs.

34 Payment of the annuity shall continue until the

1 occurrence of the following:

2 (1) remarriage before age 55 (for periods prior to
3 July 6, 2000) ~~that occurs before the effective date of~~
4 ~~this amendatory Act of the 91st General Assembly~~ or
5 death, in the case of a surviving spouse;

6 (2) attainment of age 18 or termination of
7 disability, death, or marriage, in the case of an
8 eligible child;

9 (3) remarriage before age 55 or death, in the case
10 of a dependent parent.

11 If none of the aforementioned beneficiaries is living at
12 the date of death of the member, no occupational death
13 benefit shall be payable, but the nonoccupational death
14 benefit shall be payable as provided in this Article.

15 A surviving spouse whose occupational death benefit
16 annuity has been terminated due to remarriage may apply for
17 reinstatement of that annuity. The reinstated annuity shall
18 begin to accrue on July 6, 2000, except that if, on July 6,
19 2000, the annuity is payable to an eligible surviving child
20 or parent, payment of the annuity to the surviving spouse
21 shall not be reinstated until the annuity is no longer
22 payable to any eligible surviving child or parent. The
23 reinstated annuity shall include any one-time or annual
24 increases received prior to the date of termination, as well
25 as any increases that would otherwise have accrued from the
26 date of termination to the date of reinstatement.

27 The changes change made to this subsection by Public Act
28 91-887 and this amendatory Act of the 92nd ~~91st~~ General
29 Assembly (pertaining to remarriage ~~prior to age 55~~) apply
30 ~~applies~~ without regard to whether the deceased member was in
31 service on or after the effective date of either this
32 amendatory Act.

33 (b) Amount of benefit.

34 The member's accumulated contributions plus credited

1 interest shall be payable in a lump sum to such person as the
2 member has nominated by written direction, duly acknowledged
3 and filed with the Board, or if no such nomination to the
4 estate of the member. When an annuitant is re-employed by a
5 Department, the accumulated contributions plus credited
6 interest payable on the member's account shall, if the member
7 has not previously elected a reversionary annuity, consist of
8 the excess, if any, of the member's total accumulated
9 contributions plus credited interest for all creditable
10 service over the total amount of all retirement annuity
11 payments received by the member prior to death.

12 In addition to the foregoing payment, an annuity is
13 provided for eligible survivors as follows:

14 (1) If the survivor is a spouse only, the annuity
15 shall be 50% of the member's final average compensation.

16 (2) If the spouse has in his or her care an
17 eligible child or children, the annuity shall be
18 increased by an amount equal to 15% of the final average
19 compensation on account of each such child, subject to a
20 limitation on the combined annuities to a surviving
21 spouse and children of 75% of final average compensation.

22 (3) If there is no surviving spouse, or if the
23 surviving spouse dies or remarries while a child remains
24 eligible, then each such child shall be entitled to an
25 annuity of 15% of the deceased member's final average
26 compensation, subject to a limitation of 50% of final
27 average compensation to all such children.

28 (4) If there is no surviving spouse or eligible
29 children, then an annuity shall be payable to the
30 member's dependent parents, equal to 25% of final average
31 compensation to each such beneficiary.

32 If any annuity payable under this Section is less than
33 the corresponding survivors annuity, the beneficiary or
34 beneficiaries of the annuity under this Section may elect to

1 receive the survivors annuity and the nonoccupational death
2 benefit provided for in this Article in lieu of the annuity
3 provided under this Section.

4 (c) Occupational death claims pending adjudication by
5 the Industrial Commission or a ruling by the agency
6 responsible for determining the liability of the State under
7 the "Workers' Compensation Act" or "Workers' Occupational
8 Diseases Act" shall be payable under Sections 14-120 and
9 14-121 until a ruling or adjudication occurs, if the
10 beneficiary or beneficiaries: (1) meet all conditions for
11 payment as prescribed in this Article; and (2) execute an
12 assignment of benefits payable as a result of adjudication by
13 the Industrial Commission or a ruling by the agency
14 responsible for determining the liability of the State under
15 such Acts. The assignment shall be made to the System and
16 shall be for an amount equal to the excess of benefits paid
17 under Sections 14-120 and 14-121 over benefits payable as a
18 result of adjudication of the workers' compensation claim
19 computed from the date of death of the member.

20 (d) Every occupational death annuity payable under this
21 Section shall be increased on each January 1 occurring on or
22 after (i) January 1, 1990, or (ii) the first anniversary of
23 the commencement of the annuity, whichever occurs later, by
24 an amount equal to 3% of the current amount of the annuity,
25 including any previous increases under this Article, without
26 regard to whether the deceased member was in service on the
27 effective date of this amendatory Act of 1991.

28 (Source: P.A. 90-448, eff. 8-16-97; 91-887, eff. 7-6-00.)

29 (40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)
30 Sec. 14-133. Contributions on behalf of members.

31 (a) Each participating employee shall make contributions
32 to the System, based on the employee's compensation, as
33 follows:

1 (1) Covered employees, except as indicated below,
2 3.5% for retirement annuity, and 0.5% for a widow or
3 survivors annuity;

4 (2) Noncovered employees, except as indicated
5 below, 7% for retirement annuity and 1% for a widow or
6 survivors annuity;

7 (3) Noncovered employees serving in a position in
8 which "eligible creditable service" as defined in Section
9 14-110 may be earned, 8.5% for retirement annuity and 1%
10 for a widow or survivors annuity;

11 (4) Covered employees serving in a position in
12 which "eligible creditable service" as defined in Section
13 14-110 may be earned, 5% for retirement annuity and 0.5%
14 for a widow or survivors annuity;

15 (5) Each security employee of the Department of
16 Corrections or of the Department of Human Services who is
17 a covered employee, 5% for retirement annuity and 0.5%
18 for a widow or survivors annuity;

19 (6) Each security employee of the Department of
20 Corrections or of the Department of Human Services who is
21 not a covered employee, 8.5% for retirement annuity and
22 1% for a widow or survivors annuity;

23 (7) Optional formula employees, 6% for retirement
24 annuity and 0.5% for a widow or survivors annuity.

25 (b) Contributions shall be in the form of a deduction
26 from compensation and shall be made notwithstanding that the
27 compensation paid in cash to the employee shall be reduced
28 thereby below the minimum prescribed by law or regulation.
29 Each member is deemed to consent and agree to the deductions
30 from compensation provided for in this Article, and shall
31 receipt in full for salary or compensation.

32 (Source: P.A. 89-507, eff. 7-1-97; 90-448, eff. 8-16-97.)

33 (40 ILCS 5/15-112) (from Ch. 108 1/2, par. 15-112)

1 Sec. 15-112. Final rate of earnings. "Final rate of
2 earnings": For an employee who is paid on an hourly basis or
3 who receives an annual salary in installments during 12
4 months of each academic year, the average annual earnings
5 during the 48 consecutive calendar month period ending with
6 the last day of final termination of employment or the 4
7 consecutive academic years of service in which the employee's
8 earnings were the highest, whichever is greater. For any
9 other employee, the average annual earnings during the 4
10 consecutive academic years of service in which his or her
11 earnings were the highest. For an employee with less than 48
12 months or 4 consecutive academic years of service, the
13 average earnings during his or her entire period of service.
14 The earnings of an employee with more than 36 months of
15 service prior to the date of becoming a participant are, for
16 such period, considered equal to the average earnings during
17 the last 36 months of such service. For an employee on leave
18 of absence with pay, or on leave of absence without pay who
19 makes contributions during such leave, earnings are assumed
20 to be equal to the basic compensation on the date the leave
21 began. For an employee on disability leave, earnings are
22 assumed to be equal to the basic compensation on the date
23 disability occurs or the average earnings during the 24
24 months immediately preceding the month in which disability
25 occurs, whichever is greater.

26 For a participant who retires on or after the effective
27 date of this amendatory Act of 1997 with at least 20 years of
28 service as a firefighter or police officer under this
29 Article, the final rate of earnings shall be the annual rate
30 of earnings received by the participant on his or her last
31 day as a firefighter or police officer under this Article, if
32 that is greater than the final rate of earnings as calculated
33 under the other provisions of this Section.

34 If a participant is an employee for at least 6 months

1 during the academic year in which his or her employment is
2 terminated, the annual final rate of earnings shall be 25% of
3 the sum of (1) the annual basic compensation for that year,
4 and (2) the amount earned during the 36 months immediately
5 preceding that year, if this is greater than the final rate
6 of earnings as calculated under the other provisions of this
7 Section.

8 In the determination of the final rate of earnings for an
9 employee, that part of an employee's earnings for any
10 academic year beginning after June 30, 1997, which exceeds
11 the employee's earnings with that employer for the preceding
12 year by more than 20 percent shall be excluded; in the event
13 that an employee has more than one employer this limitation
14 shall be calculated separately for the earnings with each
15 employer. In making such calculation, only the basic
16 compensation of employees shall be considered, without regard
17 to vacation or overtime or to contracts for summer
18 employment.

19 The following are not considered as earnings in
20 determining final rate of earnings: severance or separation
21 pay, retirement pay, payment for in-lieu-of unused sick leave
22 and payments from an employer for the period used in
23 determining final rate of earnings for any purpose other than
24 services rendered, leave of absence or vacation granted
25 during that period, and vacation of up to 56 work days
26 allowed upon termination of employment; except that, if the
27 benefit has been collectively bargained between the employer
28 and the recognized collective bargaining agent pursuant to
29 the Illinois Educational Labor Relations Act, payment
30 received during a period of up to 2 academic years for unused
31 sick leave may be considered as earnings in accordance with
32 the applicable collective bargaining agreement, subject to
33 the 20% increase limitation of this Section. Any unused sick
34 leave considered as earnings under this Section shall not be

1 taken into account in calculating service credit under
2 Section 15-113.4.

3 Intermittent periods of service shall be considered as
4 consecutive in determining final rate of earnings.

5 (Source: P.A. 90-65, eff. 7-7-97; 90-511, eff. 8-22-97;
6 91-887, eff. 7-6-00.)

7 (40 ILCS 5/15-134.6 new)

8 Sec. 15-134.6. Transfer of certain creditable service to
9 the Article 14 retirement system.

10 (a) An active member of the Article 14 retirement system
11 who is employed in a position for which he or she earns
12 eligible creditable service as defined in Section 14-110 of
13 this Code may transfer all or a portion of his or her
14 creditable service accumulated under this System for service
15 as a police officer to the Article 14 retirement system in
16 accordance with Section 14-110. The transfer of creditable
17 service shall be accompanied by payment from this System to
18 the Article 14 retirement system of:

19 (1) the amounts credited to the applicant for the
20 service to be transferred through employee contributions,
21 including interest, as of the date of transfer; and

22 (2) employer contributions equal to the amount
23 determined under item (1); and

24 (3) any interest paid by the applicant in order to
25 reinstate the service to be transferred.

26 Participation in this System with respect to the transferred
27 service shall terminate on the date of transfer.

28 (b) A person transferring creditable service under
29 subsection (a) may reinstate service that was terminated by
30 receipt of a refund, by paying to the System the amount of
31 the refund plus interest thereon at the effective rate from
32 the date of the refund to the date of payment.

1 (40 ILCS 5/15-135.1)

2 Sec. 15-135.1. Election to avoid application of P.A.
3 90-65.

4 (a) A participant who was an employee on July 7, 1997
5 and retires on or after July 30, 1999 ~~the effective date of~~
6 ~~this amendatory Act of the 91st General Assembly~~ may elect in
7 writing at the time of retirement to have the retirement
8 annuity calculated in accordance with the provisions of
9 Sections 15-135 and 15-136 as they existed immediately prior
10 to amendment by Public Act 90-65. This election, once made,
11 is irrevocable.

12 (a-1) A participant who was an employee on July 7, 1997
13 and retired on or after January 1, 1998 but before July 30,
14 1999 may elect in writing, within 60 days after the effective
15 date of this amendatory Act of the 92nd General Assembly, to
16 have the retirement annuity calculated in accordance with the
17 provisions of Sections 15-135 and 15-136 as they existed
18 immediately prior to amendment by Public Act 90-65. This
19 election is prospective only and, once made, is irrevocable.
20 When an election under this subsection (a-1) is made, the
21 System shall recalculate the retirement annuity, effective on
22 the next annuity payment date following the date of election.
23 The election applies to group insurance costs that become
24 payable after the Department of Central Management Services
25 is notified of the election under subsection (c), but does
26 not entitle the person to a refund of any group insurance
27 costs already paid.

28 (b) The fact that a person has elected to participate in
29 the optional retirement program under Section 15-158.2 or has
30 elected the portability option under subsection (a-1) of
31 Section 15-154 does not prevent the person from making an
32 election under subsection (a) or (a-1) of this Section; the
33 fact that such a person makes an election under subsection
34 (a) or (a-1) of this Section does not allow the person to

1 change the irrevocable election that he or she made under
2 Section 15-158.2 or subsection (a-1) of Section 15-154.

3 (c) The System shall promptly notify the Department of
4 Central Management Services of each election made under this
5 Section.

6 (Source: P.A. 91-395, eff. 7-30-99.)

7 (40 ILCS 5/15-145) (from Ch. 108 1/2, par. 15-145)
8 Sec. 15-145. Survivors insurance benefits; conditions
9 and amounts.

10 (a) The survivors insurance benefits provided under this
11 Section shall be payable to the eligible survivors of a
12 participant covered under the traditional benefit package
13 upon the death of (1) a participating employee with at least
14 1 1/2 years of service, (2) a participant who terminated
15 employment with at least 10 years of service, and (3) an
16 annuitant in receipt of a retirement annuity or disability
17 retirement annuity under this Article.

18 Service under the State Employees' Retirement System of
19 Illinois, the Teachers' Retirement System of the State of
20 Illinois and the Public School Teachers' Pension and
21 Retirement Fund of Chicago shall be considered in determining
22 eligibility for survivors benefits under this Section.

23 If by law, a function of a governmental unit, as defined
24 by Section 20-107, is transferred in whole or in part to an
25 employer, and an employee transfers employment from this
26 governmental unit to such employer within 6 months after the
27 transfer of this function, the service credits in the
28 governmental unit's retirement system which have been
29 validated under Section 20-109 shall be considered in
30 determining eligibility for survivors benefits under this
31 Section.

32 (b) A surviving spouse of a deceased participant, or of
33 a deceased annuitant who did not take a refund or additional

1 annuity consisting of accumulated survivors insurance
2 contributions, shall receive a survivors annuity of 30% of
3 the final rate of earnings. Payments shall begin on the day
4 following the participant's or annuitant's death or the date
5 the surviving spouse attains age 50, whichever is later, and
6 continue until the death of the surviving spouse. The
7 annuity shall be payable to the surviving spouse prior to
8 attainment of age 50 if the surviving spouse has in his or
9 her care a deceased participant's or annuitant's dependent
10 unmarried child under age 18 (under age 22 if a full-time
11 student) who is eligible for a survivors annuity.

12 Remarriage of a surviving spouse prior to attainment of
13 age 55 that occurs before the effective date of this
14 amendatory Act of the 91st General Assembly shall disqualify
15 him or her for the receipt of a survivors annuity until July
16 6, 2000.

17 A surviving spouse whose survivors annuity has been
18 terminated due to remarriage may apply for reinstatement of
19 that annuity. The reinstated annuity shall begin to accrue
20 on July 6, 2000, except that if, on July 6, 2000, the annuity
21 is payable to an eligible surviving child or parent, payment
22 of the annuity to the surviving spouse shall not be
23 reinstated until the annuity is no longer payable to any
24 eligible surviving child or parent. The reinstated annuity
25 shall include any one-time or annual increases received prior
26 to the date of termination, as well as any increases that
27 would otherwise have accrued from the date of termination to
28 the date of reinstatement. An eligible surviving spouse
29 whose expectation of receiving a survivors annuity was lost
30 due to remarriage before attainment of age 50 shall also be
31 entitled to reinstatement under this subsection, but the
32 resulting survivors annuity shall not begin to accrue sooner
33 than upon the surviving spouse's attainment of age 50.

34 The changes made to this subsection by this amendatory

1 Act of the 92nd General Assembly (pertaining to remarriage)
2 apply without regard to whether the deceased participant or
3 annuitant was in service on or after the effective date of
4 this amendatory Act.

5 (c) Each dependent unmarried child under age 18 (under
6 age 22 if a full-time student) of a deceased participant, or
7 of a deceased annuitant who did not take a refund or
8 additional annuity consisting of accumulated survivors
9 insurance contributions, shall receive a survivors annuity
10 equal to the sum of (1) 20% of the final rate of earnings,
11 and (2) 10% of the final rate of earnings divided by the
12 number of children entitled to this benefit. Payments shall
13 begin on the day following the participant's or annuitant's
14 death and continue until the child marries, dies, or attains
15 age 18 (age 22 if a full-time student). If the child is in
16 the care of a surviving spouse who is eligible for survivors
17 insurance benefits, the child's benefit shall be paid to the
18 surviving spouse.

19 Each unmarried child over age 18 of a deceased
20 participant or of a deceased annuitant who had a survivor's
21 insurance beneficiary at the time of his or her retirement,
22 and who was dependent upon the participant or annuitant by
23 reason of a physical or mental disability which began prior
24 to the date the child attained age 18 (age 22 if a full-time
25 student), shall receive a survivor's annuity equal to the sum
26 of (1) 20% of the final rate of earnings, and (2) 10% of the
27 final rate of earnings divided by the number of children
28 entitled to survivors benefits. Payments shall begin on the
29 day following the participant's or annuitant's death and
30 continue until the child marries, dies, or is no longer
31 disabled. If the child is in the care of a surviving spouse
32 who is eligible for survivors insurance benefits, the child's
33 benefit may be paid to the surviving spouse. For the
34 purposes of this Section, disability means inability to

1 engage in any substantial gainful activity by reason of any
2 medically determinable physical or mental impairment that can
3 be expected to result in death or that has lasted or can be
4 expected to last for a continuous period of at least one
5 year.

6 (d) Each dependent parent of a deceased participant, or
7 of a deceased annuitant who did not take a refund or
8 additional annuity consisting of accumulated survivors
9 insurance contributions, shall receive a survivors annuity
10 equal to the sum of (1) 20% of final rate of earnings, and
11 (2) 10% of final rate of earnings divided by the number of
12 parents who qualify for the benefit. Payments shall begin
13 when the parent reaches age 55 or the day following the
14 participant's or annuitant's death, whichever is later, and
15 continue until the parent dies. Remarriage of a parent prior
16 to attainment of age 55 shall disqualify the parent for the
17 receipt of a survivors annuity.

18 (e) In addition to the survivors annuity provided above,
19 each survivors insurance beneficiary shall, upon death of the
20 participant or annuitant, receive a lump sum payment of
21 \$1,000 divided by the number of such beneficiaries.

22 (f) The changes made in this Section by Public Act
23 81-712 pertaining to survivors annuities in cases of
24 remarriage prior to age 55 shall apply to each survivors
25 insurance beneficiary who remarries after June 30, 1979,
26 regardless of the date that the participant or annuitant
27 terminated his employment or died.

28 The change made to this Section by this amendatory Act of
29 the 91st General Assembly, pertaining to remarriage prior to
30 age 55, applies without regard to whether the deceased
31 participant or annuitant was in service on or after the
32 effective date of this amendatory Act of the 91st General
33 Assembly.

34 (g) On January 1, 1981, any person who was receiving a

1 survivors annuity on or before January 1, 1971 shall have the
2 survivors annuity then being paid increased by 1% for each
3 full year which has elapsed from the date the annuity began.
4 On January 1, 1982, any survivor whose annuity began after
5 January 1, 1971, but before January 1, 1981, shall have the
6 survivor's annuity then being paid increased by 1% for each
7 year which has elapsed from the date the survivor's annuity
8 began. On January 1, 1987, any survivor who began receiving a
9 survivor's annuity on or before January 1, 1977, shall have
10 the monthly survivor's annuity increased by \$1 for each full
11 year which has elapsed since the date the survivor's annuity
12 began.

13 (h) If the sum of the lump sum and total monthly
14 survivor benefits payable under this Section upon the death
15 of a participant amounts to less than the sum of the death
16 benefits payable under items (2) and (3) of Section 15-141,
17 the difference shall be paid in a lump sum to the beneficiary
18 of the participant who is living on the date that this
19 additional amount becomes payable.

20 (i) If the sum of the lump sum and total monthly
21 survivor benefits payable under this Section upon the death
22 of an annuitant receiving a retirement annuity or disability
23 retirement annuity amounts to less than the death benefit
24 payable under Section 15-142, the difference shall be paid to
25 the beneficiary of the annuitant who is living on the date
26 that this additional amount becomes payable.

27 (j) Effective on the later of (1) January 1, 1990, or
28 (2) the January 1 on or next after the date on which the
29 survivor annuity begins, if the deceased member died while
30 receiving a retirement annuity, or in all other cases the
31 January 1 nearest the first anniversary of the date the
32 survivor annuity payments begin, every survivors insurance
33 beneficiary shall receive an increase in his or her monthly
34 survivors annuity of 3%. On each January 1 after the initial

1 increase, the monthly survivors annuity shall be increased by
2 3% of the total survivors annuity provided under this
3 Article, including previous increases provided by this
4 subsection. Such increases shall apply to the survivors
5 insurance beneficiaries of each participant and annuitant,
6 whether or not the employment status of the participant or
7 annuitant terminates before the effective date of this
8 amendatory Act of 1990. This subsection (j) also applies to
9 persons receiving a survivor annuity under the portable
10 benefit package.

11 (k) If the Internal Revenue Code of 1986, as amended,
12 requires that the survivors benefits be payable at an age
13 earlier than that specified in this Section the benefits
14 shall begin at the earlier age, in which event, the
15 survivor's beneficiary shall be entitled only to that amount
16 which is equal to the actuarial equivalent of the benefits
17 provided by this Section.

18 (l) The changes made to this Section and Section 15-131
19 by this amendatory Act of 1997, relating to benefits for
20 certain unmarried children who are full-time students under
21 age 22, apply without regard to whether the deceased member
22 was in service on or after the effective date of this
23 amendatory Act of 1997. These changes do not authorize the
24 repayment of a refund or a re-election of benefits, and any
25 benefit or increase in benefits resulting from these changes
26 is not payable retroactively for any period before the
27 effective date of this amendatory Act of 1997.

28 (Source: P.A. 90-448, eff. 8-16-97; 90-766, eff. 8-14-98;
29 91-887, eff. 7-6-00.)

30 (40 ILCS 5/16-127) (from Ch. 108 1/2, par. 16-127)
31 Sec. 16-127. Computation of creditable service.

32 (a) Each member shall receive regular credit for all
33 service as a teacher from the date membership begins, for

1 which satisfactory evidence is supplied and all contributions
2 have been paid.

3 (b) The following periods of service shall earn optional
4 credit and each member shall receive credit for all such
5 service for which satisfactory evidence is supplied and all
6 contributions have been paid as of the date specified:

7 (1) Prior service as a teacher.

8 (2) Service in a capacity essentially similar or
9 equivalent to that of a teacher, in the public common
10 schools in school districts in this State not included
11 within the provisions of this System, or of any other
12 State, territory, dependency or possession of the United
13 States, or in schools operated by or under the auspices
14 of the United States, or under the auspices of any agency
15 or department of any other State, and service during any
16 period of professional speech correction or special
17 education experience for a public agency within this
18 State or any other State, territory, dependency or
19 possession of the United States, and service prior to
20 February 1, 1951 as a recreation worker for the Illinois
21 Department of Public Safety, for a period not exceeding
22 the lesser of 2/5 of the total creditable service of the
23 member or 10 years. The maximum service of 10 years
24 which is allowable under this paragraph shall be reduced
25 by the service credit which is validated by other
26 retirement systems under paragraph (i) of Section 15-113
27 and paragraph 1 of Section 17-133. Credit granted under
28 this paragraph may not be used in determination of a
29 retirement annuity or disability benefits unless the
30 member has at least 5 years of creditable service earned
31 subsequent to this employment with one or more of the
32 following systems: Teachers' Retirement System of the
33 State of Illinois, State Universities Retirement System,
34 and the Public School Teachers' Pension and Retirement

1 Fund of Chicago. Whenever such service credit exceeds
2 the maximum allowed for all purposes of this Article, the
3 first service rendered in point of time shall be
4 considered. The changes to this subdivision (b)(2) made
5 by Public Act 86-272 shall apply not only to persons who
6 on or after its effective date (August 23, 1989) are in
7 service as a teacher under the System, but also to
8 persons whose status as such a teacher terminated prior
9 to such effective date, whether or not such person is an
10 annuitant on that date.

11 (3) Any periods immediately following teaching
12 service, under this System or under Article 17, (or
13 immediately following service prior to February 1, 1951
14 as a recreation worker for the Illinois Department of
15 Public Safety) spent in active service with the military
16 forces of the United States; periods spent in educational
17 programs that prepare for return to teaching sponsored by
18 the federal government following such active military
19 service; if a teacher returns to teaching service within
20 one calendar year after discharge or after the completion
21 of the educational program, a further period, not
22 exceeding one calendar year, between time spent in
23 military service or in such educational programs and the
24 return to employment as a teacher under this System; and
25 a period of up to 2 years of active military service not
26 immediately following employment as a teacher.

27 The changes to this Section and Section 16-128
28 relating to military service made by P.A. 87-794 shall
29 apply not only to persons who on or after its effective
30 date are in service as a teacher under the System, but
31 also to persons whose status as a teacher terminated
32 prior to that date, whether or not the person is an
33 annuitant on that date. In the case of an annuitant who
34 applies for credit allowable under this Section for a

1 period of military service that did not immediately
2 follow employment, and who has made the required
3 contributions for such credit, the annuity shall be
4 recalculated to include the additional service credit,
5 with the increase taking effect on the date the System
6 received written notification of the annuitant's intent
7 to purchase the credit, if payment of all the required
8 contributions is made within 60 days of such notice, or
9 else on the first annuity payment date following the date
10 of payment of the required contributions. In calculating
11 the automatic annual increase for an annuity that has
12 been recalculated under this Section, the increase
13 attributable to the additional service allowable under
14 P.A. 87-794 shall be included in the calculation of
15 automatic annual increases accruing after the effective
16 date of the recalculation.

17 Credit for military service shall be determined as
18 follows: if entry occurs during the months of July,
19 August, or September and the member was a teacher at the
20 end of the immediately preceding school term, credit
21 shall be granted from July 1 of the year in which he or
22 she entered service; if entry occurs during the school
23 term and the teacher was in teaching service at the
24 beginning of the school term, credit shall be granted
25 from July 1 of such year. In all other cases where credit
26 for military service is allowed, credit shall be granted
27 from the date of entry into the service.

28 The total period of military service for which
29 credit is granted shall not exceed 5 years for any member
30 unless the service: (A) is validated before July 1,
31 1964, and (B) does not extend beyond July 1, 1963.
32 Credit for military service shall be granted under this
33 Section only if not more than 5 years of the military
34 service for which credit is granted under this Section is

1 used by the member to qualify for a military retirement
2 allotment from any branch of the armed forces of the
3 United States. The changes to this subdivision (b)(3)
4 made by Public Act 86-272 shall apply not only to persons
5 who on or after its effective date (August 23, 1989) are
6 in service as a teacher under the System, but also to
7 persons whose status as such a teacher terminated prior
8 to such effective date, whether or not such person is an
9 annuitant on that date.

10 (4) Any periods served as a member of the General
11 Assembly.

12 (5)(i) Any periods for which a teacher, as defined
13 in Section 16-106, is granted a leave of absence,
14 provided he or she returns to teaching service creditable
15 under this System or the State Universities Retirement
16 System following the leave; (ii) periods during which a
17 teacher is involuntarily laid off from teaching, provided
18 he or she returns to teaching following the lay-off;
19 (iii) periods prior to July 1, 1983 during which a
20 teacher ceased covered employment due to pregnancy,
21 provided that the teacher returned to teaching service
22 creditable under this System or the State Universities
23 Retirement System following the pregnancy and submits
24 evidence satisfactory to the Board documenting that the
25 employment ceased due to pregnancy; and (iv) periods
26 prior to July 1, 1983 during which a teacher ceased
27 covered employment for the purpose of adopting an infant
28 under 3 years of age or caring for a newly adopted infant
29 under 3 years of age, provided that the teacher returned
30 to teaching service creditable under this System or the
31 State Universities Retirement System following the
32 adoption and submits evidence satisfactory to the Board
33 documenting that the employment ceased for the purpose of
34 adopting an infant under 3 years of age or caring for a

1 newly adopted infant under 3 years of age. However,
2 total credit under this paragraph (5) may not exceed 3
3 years.

4 Any qualified member or annuitant may apply for
5 credit under item (iii) or (iv) of this paragraph (5)
6 without regard to whether service was terminated before
7 the effective date of this amendatory Act of 1997. In
8 the case of an annuitant who establishes credit under
9 item (iii) or (iv), the annuity shall be recalculated to
10 include the additional service credit. The increase in
11 annuity shall take effect on the date the System receives
12 written notification of the annuitant's intent to
13 purchase the credit, if the required evidence is
14 submitted and the required contribution paid within 60
15 days of that notification, otherwise on the first annuity
16 payment date following the System's receipt of the
17 required evidence and contribution. The increase in an
18 annuity recalculated under this provision shall be
19 included in the calculation of automatic annual increases
20 in the annuity accruing after the effective date of the
21 recalculation.

22 Optional credit may be purchased under this
23 subsection (b)(5) for periods during which a teacher has
24 been granted a leave of absence pursuant to Section 24-13
25 of the School Code. A teacher whose service under this
26 Article terminated prior to the effective date of P.A.
27 86-1488 shall be eligible to purchase such optional
28 credit. If a teacher who purchases this optional credit
29 is already receiving a retirement annuity under this
30 Article, the annuity shall be recalculated as if the
31 annuitant had applied for the leave of absence credit at
32 the time of retirement. The difference between the
33 entitled annuity and the actual annuity shall be credited
34 to the purchase of the optional credit. The remainder of

1 the purchase cost of the optional credit shall be paid on
2 or before April 1, 1992.

3 The change in this paragraph made by Public Act
4 86-273 shall be applicable to teachers who retire after
5 June 1, 1989, as well as to teachers who are in service
6 on that date.

7 (6) Any days of unused and uncompensated
8 accumulated sick leave earned by a teacher. The service
9 credit granted under this paragraph shall be the ratio of
10 the number of unused and uncompensated accumulated sick
11 leave days to 170 days, subject to a maximum of one year
12 of service credit. Prior to the member's retirement,
13 each former employer shall certify to the System the
14 number of unused and uncompensated accumulated sick leave
15 days credited to the member at the time of termination of
16 service. The period of unused sick leave shall not be
17 considered in determining the effective date of
18 retirement. A member is not required to make
19 contributions in order to obtain service credit for
20 unused sick leave.

21 Credit for sick leave shall, at retirement, be
22 granted by the System for any retiring regional or
23 assistant regional superintendent of schools at the rate
24 of 6 days per year of creditable service or portion
25 thereof established while serving as such superintendent
26 or assistant superintendent.

27 (7) Periods prior to February 1, 1987 served as an
28 employee of the Illinois Mathematics and Science Academy
29 for which credit has not been terminated under Section
30 15-113.9 of this Code.

31 (8) Service as a substitute teacher for work
32 performed prior to July 1, 1990.

33 (9) Service as a part-time teacher for work
34 performed prior to July 1, 1990.

1 (10) Up to 2 years of employment with Southern
2 Illinois University - Carbondale from September 1, 1959
3 to August 31, 1961, or with Governors State University
4 from September 1, 1972 to August 31, 1974, for which the
5 teacher has no credit under Article 15. To receive
6 credit under this item (10), a teacher must apply in
7 writing to the Board and pay the required contributions
8 before May 1, 1993 and have at least 12 years of service
9 credit under this Article.

10 (b-1) A member may establish optional credit for up to 2
11 years of service as a teacher or administrator employed by a
12 private school recognized by the Illinois State Board of
13 Education, provided that the teacher (i) was certified under
14 the law governing the certification of teachers at the time
15 the service was rendered, (ii) applies in writing on or after
16 June 1, 2001 and on or before June 1, 2004, (iii) supplies
17 satisfactory evidence of the employment, (iv) completes at
18 least 10 years of contributing service as a teacher as
19 defined in Section 16-106, and (v) pays the contribution
20 required in subsection (d-5) of Section 16-128. The member
21 may apply for credit under this subsection and pay the
22 required contribution before completing the 10 years of
23 contributing service required under item (iv), but the credit
24 may not be used until the item (iv) contributing service
25 requirement has been met.

26 (c) The service credits specified in this Section shall
27 be granted only if: (1) such service credits are not used for
28 credit in any other statutory tax-supported public employee
29 retirement system other than the federal Social Security
30 program; and (2) the member makes the required contributions
31 as specified in Section 16-128. Except as provided in
32 subsection (b-1) of this Section, the service credit shall be
33 effective as of the date the required contributions are
34 completed.

1 Any service credits granted under this Section shall
2 terminate upon cessation of membership for any cause.

3 Credit may not be granted under this Section covering any
4 period for which an age retirement or disability retirement
5 allowance has been paid.

6 (Source: P.A. 89-430, eff. 12-15-95; 90-32, eff. 6-27-97.)

7 (40 ILCS 5/16-128) (from Ch. 108 1/2, par. 16-128)

8 Sec. 16-128. Creditable service - required
9 contributions.

10 (a) In order to receive the creditable service specified
11 under subsection (b) of Section 16-127, a member is required
12 to make the following contributions: (i) an amount equal to
13 the contributions which would have been required had such
14 service been rendered as a member under this System; (ii) for
15 military service not immediately following employment and for
16 service established under subdivision (b)(10) of Section
17 16-127, an amount determined by the Board to be equal to the
18 employer's normal cost of the benefits accrued for such
19 service; and (iii) interest from the date the contributions
20 would have been due (or, in the case of a person establishing
21 credit for military service under subdivision (b)(3) of
22 Section 16-127, the date of first membership in the System,
23 if that date is later) to the date of payment, at the
24 following rate of interest, compounded annually: for periods
25 prior to July 1, 1965, regular interest; from July 1, 1965 to
26 June 30, 1977, 4% per year; on and after July 1, 1977,
27 regular interest.

28 (b) In order to receive creditable service under
29 paragraph (2) of subsection (b) of Section 16-127 for those
30 who were not members on June 30, 1963, the minimum required
31 contribution shall be \$420 per year of service together with
32 interest at 4% per year compounded annually from July 1,
33 preceding the date of membership until June 30, 1977 and at

1 regular interest compounded annually thereafter to the date
2 of payment.

3 (c) In determining the contribution required in order to
4 receive creditable service under paragraph (3) of subsection
5 (b) of Section 16-127, the salary rate for the remainder of
6 the school term in which a member enters military service
7 shall be assumed to be equal to the member's salary rate at
8 the time of entering military service. However, for military
9 service not immediately following employment, the salary rate
10 on the last date as a participating teacher prior to such
11 military service, or on the first date as a participating
12 teacher after such military service, whichever is greater,
13 shall be assumed to be equal to the member's salary rate at
14 the time of entering military service. For each school term
15 thereafter, the member's salary rate shall be assumed to be
16 5% higher than the salary rate in the previous school term.

17 (d) In determining the contribution required in order to
18 receive creditable service under paragraph (5) of subsection
19 (b) of Section 16-127, a member's salary rate during the
20 period for which credit is being established shall be assumed
21 to be equal to the member's last salary rate immediately
22 preceding that period.

23 (d-5) For each year of service credit to be established
24 under subsection (b-1) of Section 16-127, a member is
25 required to contribute to the System (i) 16.5% of the annual
26 salary rate during the first year of full-time employment as
27 a teacher under this Article following the private school
28 service, plus (ii) interest thereon from the date of first
29 full-time employment as a teacher under this Article
30 following the private school service to the date of payment,
31 compounded annually, at the rate of 8.5% per year for periods
32 before the effective date of this amendatory Act of the 92nd
33 General Assembly, and for subsequent periods at a rate equal
34 to the System's actuarially assumed rate of return on

1 investments.

2 (e) The contributions required under this Section may be
3 made from the date the statement for such creditable service
4 is issued until retirement date. All such required
5 contributions must be made before any retirement annuity is
6 granted.

7 (Source: P.A. 89-430, eff. 12-15-95.)

8 (40 ILCS 5/16-143) (from Ch. 108 1/2, par. 16-143)

9 Sec. 16-143. Survivors' benefits - other conditions and
10 limitations. The benefits provided under Sections 16-141 and
11 16-142, shall be subject to the following further conditions
12 and limitations:

13 (1) The period during which a member was in receipt of a
14 disability or occupational disability benefit shall be
15 considered as creditable service at the annual salary rate on
16 which the member last made contributions.

17 (2) All service prior to July 24, 1959, for which
18 creditable service is granted towards a retirement annuity
19 shall be considered as creditable service.

20 (3) No benefits shall be payable unless a member, or a
21 disabled member, returning to service, has made contributions
22 to the system for at least one month after July 24, 1959,
23 except that an annuitant must have contributed to the system
24 for at least 1 year of creditable service after July 24,
25 1959.

26 (4) Creditable service under the State Employees'
27 Retirement System of Illinois, the State Universities
28 Retirement System and the Public School Teachers' Pension and
29 Retirement Fund of Chicago shall be considered in determining
30 whether the member has met the creditable service
31 requirement.

32 (5) If an eligible beneficiary qualifies for a
33 survivors' benefit because of pension credits established by

1 the participant or annuitant in another system covered by
2 Article 20, and the combined survivors' benefits exceed the
3 highest survivors' benefit payable by either system based
4 upon the combined pension credits, the survivors' benefit
5 payable by this system shall be reduced to that amount which
6 when added to the survivors' benefit payable by the other
7 system would equal this highest survivors' benefit. If the
8 other system has a similar provision for adjustment of the
9 survivors' benefit, the respective proportional survivors'
10 benefits shall be reduced proportionately according to the
11 ratio which the amount of each proportional survivors'
12 benefit bears to the aggregate of all proportional survivors'
13 benefits. If a survivors' benefit is payable by another
14 system covered by Article 20, and the survivor elects to
15 waive the monthly survivors' benefit and accept a lump sum
16 payment or death benefit in lieu of the monthly survivors'
17 benefit, this system shall, for the purpose of adjusting the
18 monthly survivors' benefit under this paragraph, assume that
19 the survivor had been entitled to a monthly survivors'
20 benefit which, in accordance with actuarial tables of this
21 system, is the actuarial equivalent of the amount of the lump
22 sum payment or death benefit.

23 (6) Remarriage of a surviving spouse prior to attainment
24 of age 55 that occurs before the effective date of this
25 amendatory Act of the 91st General Assembly shall terminate
26 his or her survivors' benefits until July 6, 2000.

27 A surviving spouse whose survivors' benefit has been
28 terminated due to remarriage may apply for reinstatement of
29 that benefit. The reinstated benefit shall begin to accrue
30 on July 6, 2000, except that if, on July 6, 2000, the benefit
31 is payable to an eligible surviving child or parent, payment
32 of the benefit to the surviving spouse shall not be
33 reinstated until the benefit is no longer payable to any
34 eligible surviving child or parent. The reinstated benefit

1 shall include any one-time or annual increases received prior
 2 to the date of termination, as well as any increases that
 3 would otherwise have accrued from the date of termination to
 4 the date of reinstatement. An eligible surviving spouse
 5 whose expectation of receiving a survivors' benefit was lost
 6 due to remarriage before attainment of age 50 shall also be
 7 entitled to reinstatement under this subsection, but the
 8 resulting survivors' benefit shall not begin to accrue sooner
 9 than upon the surviving spouse's attainment of age 50.

10 The changes change made to this item (6) by Public Act
 11 91-887 and this amendatory Act of the 92nd 91st General
 12 Assembly apply ~~applies~~ without regard to whether the deceased
 13 member or annuitant was in service on or after the effective
 14 date of either this amendatory Act ~~of--the--91st--General~~
 15 Assembly.

16 (7) The benefits payable to an eligible child shall
 17 terminate when the eligible child marries, dies, or attains
 18 age 18 (age 22 if a full-time student); except that benefits
 19 payable to a dependent disabled eligible child shall
 20 terminate only when the eligible child dies or ceases to be
 21 disabled.

22 (Source: P.A. 90-448, eff. 8-16-97; 91-887, eff. 7-6-00.)

23 (40 ILCS 5/17-114.4 new)

24 Sec. 17-114.4. Transfer to Metropolitan Pier and
 25 Exposition Authority pension plan.

26 (a) Until July 1, 2002, any member of the management
 27 committee of the Metropolitan Pier and Exposition Authority,
 28 as designated by the chief executive officer of the
 29 Authority, regardless of whether the member is in service
 30 under this Article on or after the effective date of this
 31 Section and notwithstanding Section 17-157, may apply to the
 32 Board for transfer of all of his or her creditable service
 33 accumulated under this Fund to the pension plan established

1 for employees and officers of the Metropolitan Pier and
 2 Exposition Authority. The creditable service shall be
 3 transferred in accordance with the terms of that plan and
 4 shall be accompanied by a payment from this Fund to that
 5 pension plan, consisting of:

6 (1) the amounts accumulated to the credit of the
 7 applicant for the service to be transferred, including
 8 interest, on the books of the Fund on the date of
 9 transfer, but excluding any additional or optional
 10 credits, which shall be refunded to the applicant; plus

11 (2) employer contribution credits computed and
 12 credited under this Article, including interest, on the
 13 books of the Fund on the date the applicant terminated
 14 service under the Fund.

15 Participation in this Fund as to the credits transferred
 16 under this Section terminates on the date of transfer.

17 (b) For the purpose of transferring credit under this
 18 Section, a person may reinstate credits and creditable
 19 service terminated upon receipt of a refund, by paying to the
 20 Fund, before July 1, 2002, the amount of the refund plus
 21 regular interest from the date of the refund to the date of
 22 repayment.

23 (40 ILCS 5/18-112) (from Ch. 108 1/2, par. 18-112)

24 Sec. 18-112. Service. "Service": The period beginning
 25 on the day a person first became a judge, whether prior or
 26 subsequent to the effective date, and ending on the date
 27 under consideration, excluding all intervening periods during
 28 which he or she was not a judge following resignation or
 29 expiration of any term of election or appointment.

30 Service also includes the following:

31 (a) Any period prior to January 1, 1964 during
 32 which a judge served as a justice of the peace, police
 33 magistrate or master in chancery, or as a civil referee,

1 commissioner or trial assistant to the chief judge in the
2 Municipal Court of Chicago, or performed judicial duties
3 as an assistant to the judge of the Probate Court of Cook
4 County. A judge shall be entitled to credit for all or
5 as much as the judge may desire of such service, not
6 exceeding 8 years, upon payment of the participant's
7 contribution covering such service at the contribution
8 rates in effect on July 1, 1969, together with interest
9 at 4% per annum compounded annually, from the dates the
10 service was rendered to the date of payment, provided
11 credit for such service had not been granted in any
12 public pension fund or retirement system in the State.
13 The required contributions shall be based upon the rate
14 of salary in effect for the judge on the date he or she
15 entered the system or on January 1, 1964, whichever is
16 later.

17 (b) Service rendered after January 1, 1964, as a
18 holdover magistrate or master in chancery of the Circuit
19 Court. A judge shall be entitled to credit for any
20 period of such service, not exceeding a total of 8 years,
21 together with the period of service taken into account in
22 paragraph (a). Service credit under this paragraph is
23 subject to the same contribution requirements and other
24 limitations that are prescribed for service credit under
25 paragraph (a).

26 (c) Any period that a participant served as a
27 member of the General Assembly, subject to the following
28 conditions:

29 (1) He or she has been a participant in this
30 system for at least 4 years and has contributed to
31 the system for service rendered as a member of the
32 General Assembly subsequent to November 1, 1941, at
33 the contribution rates in effect for a judge on the
34 date of becoming a participant, including interest

1 at 3% per annum compounded annually from the date
2 such service was rendered to the date of payment,
3 based on the salary in effect during such period of
4 service; and

5 (2) The participant is not entitled to credit
6 for such service in any other public retirement
7 system in the State.

8 (d) Any period a participant served as a judge or
9 commissioner of the Court of Claims of this State after
10 November 1, 1941, provided he or she contributes to the
11 system at the contribution rates in effect on the date of
12 becoming a participant, based on salary received during
13 such service, including interest at 3% per annum
14 compounded annually from the date such service was
15 rendered to the date of payment.

16 (e) Any period that a participant served as State's
17 Attorney or Public Defender of any county of this State,
18 subject to the following conditions: (1) such service was
19 not credited under any public pension fund or retirement
20 system; (2) the maximum service to be credited in this
21 system shall be 8 years; (3) the participant must have at
22 least 6 years of service as a judge and as a participant
23 of this system; and (4) the participant has made
24 contributions to the system for such service at the
25 contribution rates in effect on the date of becoming a
26 participant in this system based upon the salary of the
27 judge on such date, including interest at 4% per annum
28 compounded annually from such date to the date of
29 payment.

30 A judge who terminated service before January 26,
31 1988 and whose retirement annuity began after January 1,
32 1988 may establish credit for service as a Public
33 Defender in accordance with the other provisions of this
34 subsection by making application and paying the required

1 contributions to the Board not later than 30 days after
2 August 23, 1989. In such cases, the Board shall
3 recalculate the retirement annuity, effective on the
4 first day of the next calendar month beginning at least
5 30 days after the application is received.

6 (e-1) A period beginning on or after January 1,
7 1970 and ending on or before December 31, 1972 during
8 which a participant served as Special Assistant State's
9 Attorney of Cook County, subject to the following
10 conditions: (1) such service was not credited under any
11 public pension fund or retirement system; (2) the amount
12 of service established under this subdivision (e-1) shall
13 not exceed 3 years; (3) the participant must have at
14 least 6 years of service as a judge and as a participant
15 of this System; and (4) the participant must make
16 contributions to the System for the service to be
17 established, based upon the contribution rates in effect
18 on the date of becoming a participant in this System and
19 the salary of the judge on that date, including interest
20 at 4% per annum, compounded annually, from that date to
21 the date of payment.

22 (f) Any period as a participating policeman,
23 employee or teacher under Article 5, 14 or 16 of this
24 Code, subject to the following conditions: (1) the
25 credits accrued under Article 5, 14 or 16 have been
26 transferred to this system; and (2) the participant has
27 contributed to the system an amount equal to (A)
28 contributions at the rate in effect for participants at
29 the date of membership in this system based upon the
30 salary of the judge on such date, (B) the employer's
31 share of the normal cost under this system for each year
32 that credit is being established, based on the salary in
33 effect at the date of membership in this system, and (C)
34 interest at 6% per annum, compounded annually, from the

1 date of membership to the date of payment; less (D) the
2 amount transferred on behalf of the participant from
3 Article 5, 14 or 16.

4 (g) Any period that a participant served as the
5 Administrative Director of the Circuit Court of Cook
6 County, as Executive Director of the Home Rule
7 Commission, as assistant corporation counsel in the
8 Chicago Law Department, or as an employee of the Cook
9 County Treasurer, subject to the following conditions:

10 (1) the maximum amount of such service which may be
11 credited is 10 years; (2) in order to qualify for such
12 credit in this system, a judge must have at least 6 years
13 of service as a judge and participant of this system; (3)
14 the last 6 years of service credited in this system shall
15 be as a judge and a participant in this system; (4)
16 credits accrued to the participant under any other public
17 pension fund or public retirement system in the State, if
18 any, by reason of the service to be established under
19 this paragraph (g) has been transferred to this system;
20 and (5) the participant has contributed to this system
21 the amount, if any, by which the amount transferred
22 pursuant to subdivision (4) of this paragraph, if any, is
23 less than the amount which the participant would have
24 contributed to the system during the period of time being
25 counted as service under this paragraph had the
26 participant been a judge participating in this system
27 during that time, based on the rate of contribution in
28 effect and the salary earned by the participant on the
29 date he or she became a participant, with interest
30 accruing on such deficiency at a rate of 5% per annum
31 from the date he or she became a participant through the
32 date on which such deficiency is paid.

33 (h) Any period that a participant served as a
34 full-time attorney employed by the Chicago Transit

1 Authority created by the Metropolitan Transit Authority
2 Act, subject to the following conditions: (1) any credit
3 received for such service in the pension fund established
4 under Section 22-101 has been terminated; (2) the maximum
5 amount of such service to be credited in this system
6 shall be 10 years; (3) the participant must have at least
7 6 years of service as a judge and as a participant of
8 this system; and (4) the participant has made
9 contributions to the system for such service at the
10 contribution rates in effect on the date of becoming a
11 participant in this system based upon the salary of the
12 judge on such date, including interest at 5% per annum
13 compounded annually from such date to the date of
14 payment.

15 (i) Any period during which a participant received
16 temporary total disability benefit payments, as provided
17 in Section 18-126.1.

18 Service during a fraction of a month shall be considered
19 a month of service, but no more than one month of service
20 shall be credited for all service during any calendar month.

21 (Source: P.A. 86-272; 86-273; 86-1028; 87-1265.)

22 (40 ILCS 5/18-128) (from Ch. 108 1/2, par. 18-128)
23 Sec. 18-128. Survivor's annuities; Conditions for
24 payment.

25 (a) A survivor's annuity shall be payable upon the death
26 of a participant while in service after June 30, 1967 if the
27 participant had at least 1 1/2 years of service credit as a
28 judge, or upon death of an inactive participant who had
29 terminated service as a judge on or after June 30, 1967 with
30 at least 10 years of service credit, or upon the death of an
31 annuitant whose retirement becomes effective after June 30,
32 1967.

33 (b) The surviving spouse of a deceased participant or

1 annuitant is entitled to a survivor's annuity beginning at
2 the date of death if the surviving spouse (1) has been
3 married to the participant or annuitant for a continuous
4 period of at least one year immediately preceding the date of
5 death, and (2) has attained age 50, or, regardless of age,
6 has in his or her care an eligible child or children of the
7 decedent as provided under subsections (c) and (d) of this
8 Section. If the surviving spouse has no such child in his or
9 her care and has not attained age 50, the survivor's annuity
10 shall begin upon attainment of age 50. When all such
11 children of the deceased who are in the care of the surviving
12 spouse no longer qualify for benefits and the surviving
13 spouse is under 50 years of age, the surviving spouse's
14 annuity shall be suspended until he or she attains age 50.

15 (c) A child's annuity is payable for an unmarried child
16 of an annuitant or participant so long as the child is (i)
17 under age 18, (ii) under age 22 and a full time student, or
18 (iii) age 18 or over if dependent by reason of physical or
19 mental disability. Disability means inability to engage in
20 any substantial gainful activity by reason of any medically
21 determinable physical or mental impairment which can expected
22 to result in death or which has lasted or can be expected to
23 last for a continuous period of not less than 12 months.

24 (d) Adopted children shall have the same status as
25 natural children, but only if the proceedings for adoption
26 were commenced at least 6 months prior to the death of the
27 annuitant or participant.

28 (e) Remarriage prior to attainment of age 50 that occurs
29 before the effective date of this amendatory Act of the 91st
30 General Assembly shall disqualify a surviving spouse for the
31 receipt of a survivor's annuity until July 6, 2000.

32 A surviving spouse whose survivor's annuity has been
33 terminated due to remarriage may apply for reinstatement of
34 that annuity. The reinstated annuity shall begin to accrue

1 on July 6, 2000, except that if, on July 6, 2000, the annuity
2 is payable to an eligible surviving child, payment of the
3 annuity to the surviving spouse shall not be reinstated until
4 the annuity is no longer payable to any eligible surviving
5 child. The reinstated annuity shall include any one-time or
6 annual increases received prior to the date of termination,
7 as well as any increases that would otherwise have accrued
8 from the date of termination to the date of reinstatement.
9 An eligible surviving spouse whose expectation of receiving a
10 survivor's annuity was lost due to remarriage before
11 attainment of age 50 shall also be entitled to reinstatement
12 under this subsection, but the resulting survivor's annuity
13 shall not begin to accrue sooner than upon the surviving
14 spouse's attainment of age 50.

15 The changes echange made to this subsection by Public Act
16 91-887 and this amendatory Act of the 92nd 91st General
17 Assembly apply ~~applies~~ without regard to whether the deceased
18 judge was in service on or after the effective date of either
19 ~~this amendatory Act of the 91st General Assembly.~~

20 (f) The changes made in survivor's annuity provisions by
21 Public Act 82-306 shall apply to the survivors of a deceased
22 participant or annuitant whose death occurs on or after
23 August 21, 1981 and whose service as a judge terminates on or
24 after July 1, 1967.

25 The provision of child's annuities for dependent students
26 under age 22 by this amendatory Act of 1991 shall apply to
27 all eligible students beginning January 1, 1992, without
28 regard to whether the deceased judge was in service on or
29 after the effective date of this amendatory Act.

30 (Source: P.A. 91-887, eff. 7-6-00.)

31 (40 ILCS 5/18-133) (from Ch. 108 1/2, par. 18-133)
32 Sec. 18-133. Financing; employee contributions.

33 (a) Effective July 1, 1967, each participant is required

1 to contribute 7 1/2% of each payment of salary toward the
2 retirement annuity. Such contributions shall continue during
3 the entire time the participant is in service, with the
4 following exceptions:

5 (1) Contributions for the retirement annuity are
6 not required on salary received after 18 years of service
7 by persons who were participants before January 2, 1954.

8 (2) A participant who continues to serve as a judge
9 after becoming eligible to receive the maximum rate of
10 annuity may elect, through a written direction filed with
11 the Board, to discontinue contributing to the System.
12 Any such option elected by a judge shall be irrevocable
13 unless prior to January 1, 2003 2000, and while
14 continuing to serve as judge, the judge (A) files with
15 the Board a letter cancelling the direction to
16 discontinue contributing to the System and requesting
17 that such contributing resume, and (B) pays into the
18 System an amount equal to the total of the discontinued
19 contributions plus interest thereon at 5% per annum.
20 Service credits earned in any other "participating
21 system" as defined in Article 20 of this Code shall be
22 considered for purposes of determining a judge's
23 eligibility to discontinue contributions under this
24 subdivision (a)(2).

25 (3) A participant who (i) ~~has-attained-age-60~~, and
26 continues to serve as a judge after becoming eligible to
27 receive the maximum rate of annuity, and (ii) ~~has~~ has
28 not elected to discontinue contributing to the System
29 under subdivision (a)(2) of this Section (or has revoked
30 any such election) may elect, through a written direction
31 filed with the Board, to make contributions to the System
32 based only on the amount of the increases in salary
33 received by the judge on or after the date of the
34 election, rather than the total salary received. If a

1 judge who is making contributions to the System on the
2 effective date of this amendatory Act of the 91st General
3 Assembly makes an election to limit contributions under
4 this subdivision (a)(3) within 90 days after that
5 effective date, the election shall be deemed to become
6 effective on that effective date and the judge shall be
7 entitled to receive a refund of any excess contributions
8 paid to the System during that 90-day period; any other
9 election under this subdivision (a)(3) becomes effective
10 on the first of the month following the date of the
11 election. An election to limit contributions under this
12 subdivision (a)(3) is irrevocable. Service credits
13 earned in any other participating system as defined in
14 Article 20 of this Code shall be considered for purposes
15 of determining a judge's eligibility to make an election
16 under this subdivision (a)(3).

17 (b) Beginning July 1, 1969, each participant is required
18 to contribute 1% of each payment of salary towards the
19 automatic increase in annuity provided in Section 18-125.1.
20 However, such contributions need not be made by any
21 participant who has elected prior to September 15, 1969, not
22 to be subject to the automatic increase in annuity
23 provisions.

24 (c) Effective July 13, 1953, each married participant
25 subject to the survivor's annuity provisions is required to
26 contribute 2 1/2% of each payment of salary, whether or not
27 he or she is required to make any other contributions under
28 this Section. Such contributions shall be made concurrently
29 with the contributions made for annuity purposes.

30 (Source: P.A. 91-653, eff. 12-10-99.)

31 (40 ILCS 5/3-110.5 rep.)

32 Section 10. The Illinois Pension Code is amended by
33 repealing Section 3-110.5.

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.25 as follows:

3 (30 ILCS 805/8.25 new)

4 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
5 and 8 of this Act, no reimbursement by the State is required
6 for the implementation of any mandate created by this
7 amendatory Act of the 92nd General Assembly.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.".